

Legislative History for Connecticut Act

Act Number: 07-189
Bill Number: 7249
Senate Pages: 5367-5409, 5423-5425 46
House Pages: 6136-6236 101
Committee: Environment: 2645-2646, 2658-2660, 2703-2707, 2740-2751, 2762-2783, 2817-2823, 2857-2860, 2911-2933, 2936, 2937-2940, 2942-2944, 3058, 3063, 3064-3121, 3576, 3578-3579, 3753, 3755, 4004 - 050, 4163 165

Page Total: 312

Transcripts from the Joint Standing Committee Public Hearing(s) and/or Senate and House of Representatives Proceedings

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S-552

CONNECTICUT
GEN. ASSEMBLY
SENATE

PROCEEDINGS
2007

VOL. 50
PART 16
5071-5415

005367

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52

Senate

June 5, 2007

Hearing and seeing none, so ordered. Mr. Clerk.

THE CLERK:

Calendar Page 7, Calendar 664, File 739,
Substitute for House Bill 7249, An Act Concerning the
Collection and Recycling of Covered Electronic
Devices, as amended by House Amendment Schedule "A",
Favorable Report of Committees on Environment,
Finance, Revenue and Bonding, Government
Administration and Elections, Appropriations, and
Judiciary.

THE CHAIR:

Senator Finch.

SEN. FINCH:

Thank you, Mr. President. I move acceptance of
the Joint Committee's Favorable Report and passage of
the bill.

THE CHAIR:

Acting on approval of the bill, Sir, will you
remark further?

005368

jmk

53

Senate

June 5, 2007

SEN. FINCH

Yes, Mr. President. I rise to support this bill. This bill, like the previous bill, required a great deal of hands to work on it. I'd like to thank especially Representative Pat Widlitz, who helped the Environment Committee, along with my Co-Chair, Dick Roy, to get this piece of legislation through to you.

It's a very important piece of legislation. There are only about six or seven states that are now having a mandatory program for recycling of electronic waste.

And, as you know, Mr. President, from a lot of documentaries on television and radio and newspapers and in magazines, electronic wastes are full of a lot of toxins, especially lead and heavy metals. And recycling of these is a perplexing and difficult problem.

There are many of these computers that are showing up in landfills and waste energy plants and

005369

54

jmk

Senate

June 5, 2007

other places where they are not necessarily knowingly poorly disposed of but, nonetheless, causing great harm to the environment.

Mr. President, this plan will put Connecticut in leadership in the United States for the recycling of electronics. It causes to be created a mandatory recycling program with a disposal ban, which is very important. If we don't have a disposal ban, then it's hard to force a recycling program.

The manufacturers who sell in Connecticut must participate in the program to implement and finance the recycling. In 2008, the fee for each manufacturer will be \$5,000, and that is a mandatory fee to participate in the program and to be able to sell your televisions or computers in Connecticut.

In 2009, the DEP Commissioner will then re-establish the fee, prorate it based on the experience of the program, based on the cost that she has seen substantiated by the manufacturers. So there

005370

jmk

55

Senate

June 5, 2007

will be no impact to the state in any net way. There will be some revenue gains and some revenue losses.

But, especially in the second year, the Commissioner will be able to assign the costs based on the amount of electronics that the manufacturer is selling and the amount of stress that they're putting on the system.

The manufacturers must work with the towns. The towns must cause to have the items collected at their landfill or at their transfer station. The towns must arrange for the transportation, and then they are compensated by the recycler.

The recycler must report to the DEP on all of the ways that they have recycled the computers and televisions and then bill the manufacturers for their share of the recycling fee and the town's share of the transportation.

The billing is done quarterly, and the cost for disposal is capped in the first couple years at \$.50

005371

jmk

56

Senate

June 5, 2007

per pound, that the recyclers can charge, and so that's to protect from any potential gouging. And then the Commissioner has the ability to re-establish that price, based on experience.

And, as I've said many times, the Commissioner has the prerogative. She is required to come back and report to the Committees of cognizance and have all of her regulations approved by Regs Review. So our body will be intimately involved in all the processes going forward.

The issue of identity theft is being worked on by the Commissioner and will be part of her regulations. The California plan, for example, has, if you look under all of your computers you're working on right now, there's a bar code.

There's a separate bar code for California, whereby, cradle to grave, your electronics can be tracked. And anyone who steals your identity can be shown to be in possession of that computer because

005372

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57

Senate

June 5, 2007

it's part of the record keeping. We hope that that will be implemented as part of the regulations.

And I mention that as part of our legislative record here today. In terms of all the other provisions, there are provisions for standards and reporting.

And, as well, as I said before, the Commissioner must report back to the Environment Committee and the Regs Review Committee on all appropriate items that are there purview. Mr. President, I would make a motion for approval of this.

THE CHAIR:

Will you remark? Senator Meyer.

SEN. MEYER:

Thank you, Mr. President. I appreciate Senator Finch bringing forth this bill, and I particularly appreciate the vision of Representative Pat Widlitz of Guilford, who introduced this bill this past January and worked so hard to bring it to where it is today,

005373

jmk

58

Senate

June 5, 2007

meeting with all kinds of interested parties,
fashioning and refashioning the bill to a point where
it will effectively dispose of electronic equipment.

Just think in your own lives how often we've had
electronic equipment that we have not known what to do
with. This bill is a very practical answer to that.
It's a major leap forward with respect to recycling
and disposal of difficult electronic equipment, and I
urge everyone's favorable support. Thank you, Mr.
President.

THE CHAIR:

Thank you, Senator Meyer. Will you remark?
Senator Kissel.

SEN. KISSEL:

Thank you very much, Mr. President. Just a few
questions to the proponent.

THE CHAIR:

Senator Finch.

SEN. FINCH:

005374

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59

Senate

June 5, 2007

Yes, Mr. President.

SEN. KISSEL:

Thank you. And, again, I haven't seen this bill. I don't serve on the Committees where, well, actually, it came through Judiciary, but I have some questions as to how we're actually going to obtain jurisdiction.

Way back, once upon a time, when I was in private practice, I represented an individual that was injured on a motorcycle, and we ended up going after the manufacturer of the inner tube of one of the tires. He had a blowout.

And they probably wouldn't mind, but I think it was like the Nankang Tire Tube Company out of someplace in the Far East. And it was difficult obtaining jurisdiction over them, and it was also difficult, when we eventually reached a settlement, trying to get the settlement check from them.

And indeed, in working through the, this was a federal case, even with their council, their council

005375

jmk

60

Senate

June 5, 2007

would come back to me month after month, saying, we can't get them to respond.

Given the fact that electronic devices, such as televisions and computers, have just a ton of manufacturers, and, recently, in our family, we had misplaced, we actually thought my littlest son, Tristan, threw away the remote control, but it was one of those incidents where, you know, you go to CVS.

You get a universal remote, and they give you that little code sheet inside that says depending on your make of your equipment, try the codes.

And if you open up that giant piece of paper, you'll find that there are just hundreds and hundreds of manufacturers for VCRs and televisions and stereo systems, I don't even know if they have those, let alone computers.

So my first question is how do we get those folks that are involved in this process to comply with Connecticut law, through you, Mr. President?

005376

61

jmk

Senate

June 5, 2007

THE CHAIR:

Senator Finch.

SEN. FINCH:

Mr. President, in response to that question, we use the retailers as leverage. You cannot sell retail in the State of Connecticut, any electronic device covered by this that is not compliant with the program, and the manufacturers are registered.

In the other states, that has been sufficient to cause the manufacturers, including foreign manufacturers that people are skeptical about complying with this, it's caused them to pay their registration fee.

I believe that in Maryland and Maine, there are in the order of hundreds of manufacturers that have paid their \$5,000. So, Mr. President, I believe that the act appropriately addresses that issue.

THE CHAIR:

Senator Kissel.

005377

jmk

62

Senate

June 5, 2007

SEN. KISSEL:

Thank you very much. And through you to the proponent, mechanically, how would it work? I know we're familiar with the large chains, and I'm guessing that the Targets and the Wal-Mart's of the world wouldn't have a problem reaching back to their manufacturers and catching their attention.

That's why they have such powerful positions in the marketplace, because they wield that kind of power. But let's say you're a mom-and-pop electronic store, I know there's not that many of them left, but there are plenty of them.

How does that work for them? Do they have to separately make sure that the manufacturer of the things that they sell are on some kind of master list? Or let's say that Wal-Mart gets a bunch of manufacturers to comply, and this small mom-and-pop store has the same merchandise, would there be some sort of master list so that the smaller stores, who

005378

jmk

63

Senate

June 5, 2007

really don't have a huge amount of leverage, or maybe don't have the manpower to follow up on all of this, can read through and go, wow, the 20 folks that we deal with are already taking care of this, so we don't have to worry about it, through you, Mr. President?

THE CHAIR:

Senator Finch.

SEN. FINCH:

Mr. President, we contemplate making this as easy as possible for retailers. Mr. President, the Commissioner, as of 2009, must have a website where anyone can go to find out whether or not that manufacturer is compliant with our law.

And there will be a printed list and an 800-number, I believe, where they can reach the Commissioner's, find the Commissioner's list. So it would be very easy for any retailer to find out whether the manufacturer is compliant.

005379

jmk

64

Senate

June 5, 2007

And what we heard in our testimony before the Committee is that this has not been a problem in the other states, that the small retailers have been able to find out which manufacturer is compliant and is a member and has paid their \$5,000 fee.

THE CHAIR:

Senator Kissel.

SEN. KISSEL:

Thank you very much. And in bringing out this particular proposal, was it your testimony that this is patterned after similar proposals in other states? And did I hear that one of those was the State of Maine?

THE CHAIR:

Senator Finch.

SEN. FINCH:

Mr. President, the Council of State Governments has tried to coordinate the area of the Northeast United States, particularly New England, into one plan

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jmk

65

Senate

June 5, 2007

so that retailers and manufacturers would not have to have sort of a patchwork quilt of programs.

And one of the reasons why we went with this program rather than the Advance Recovery Fee Retail Base Program is that it would have been very difficult for New England and the Northeast to do a program because it's piggybacked on the Department of Revenue Services in each state that does the California model.

And in New Hampshire, as you know, without a sales tax, they don't have that ability to collect those fees.

So it was felt that the manufacturer's model will put pressure, through competition, on the price to keep the manufacturers doing this as efficiently as possible. And also, it would allow us to have one uniform compact for New England.

THE CHAIR:

Senator Kissel.

SEN. KISSEL:

005381

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Senate

June 5, 2007

Thank you very much. And through you to the proponent, how long has the main program been up and running, or is it one that's passed and will be going online about the same time they will, through you, Mr. President?

THE CHAIR:

Senator Finch.

SEN. FINCH:

Mr. President, I believe that Maine and Maryland both have almost two years' experience with this at this time.

SEN. KISSEL:

Great. And through you, Mr. President, now shifting, because it sounds like very well thought out, as far as the manufacturer, the retailer being sort of the feet on the ground in our state that can make sure that this all works out. So I commend you and the proponents on that aspect of the bill.

005382

67

jmk

Senate

June 5, 2007

Shifting now to the other side, the consumer, when you said there will be a website that will be helpful for retailers, would that website also be able to be accessed by consumers, such that consumers who are environmentally sensitive would be able to make sure that they purchase goods from manufacturers that are in compliance with this law, through you, Mr. President?

THE CHAIR:

Senator Finch.

SEN. FINCH:

Yes, Mr. President, that is true, although I have to point out that you wouldn't be able to sell any electronic devices covered under this act unless you were compliant with the recycling plan. They wouldn't be allowed to be sold. Retailers, well, that's the answer, Mr. President.

THE CHAIR:

Senator Kissel.

005383

68

jmk

Senate

June 5, 2007

SEN. KISSEL:

And thank you very much. And through you, Mr. President, speaking about compliance and being able to do sales, one of the burgeoning areas of our marketplace is Bricks and Clicks. And it's great if you have a retail outlet in the State of Connecticut.

But an ever-growing amount of consumers do their purchasing online. There may be an entity that's selling computers dirt cheap, based out of Utah, and maybe, you know, they just don't have any facilities here in Connecticut. How do we get our arms around them?

And what about a consumer that wants to do a purchase of some of this merchandise online or through the mail? Maybe it's catalog sales. How do we address all of that, through you, Mr. President?

THE CHAIR:

Senator Finch.

SEN. FINCH:

005384

jmk

69

Senate

June 5, 2007

Thank you, Mr. President. One point on your last question I neglected to tell you is that in 2010, the retailer will be required to present to the consumer written information about the program, and I think that's very important, in addition to the website.

Regarding your second question, we also allow private plans to be approved. So, for example, a Dell or an Apple can have their own recycling plan.

It has to be approved by the Commissioner and compliant with the overall objectives of this goal and be proven to be collecting all the screens that are sold in Connecticut. So I think that answers your question, in terms of the company being compliant.

The Internet sales, I'm sorry. Internet sales have not been a problem in the states that we looked at. Dell, and others that do most of their sales through the Internet, have paid the \$5,000.

005385

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70

Senate

June 5, 2007

And remember, there is a significant cost to the retailers if they're found to be selling computers or televisions that are not part of the program.

THE CHAIR:

Senator Kissel.

SEN. KISSEL:

Thank you very much. And through you, Mr. President, another question. Regarding the consumer, him- or herself, would there be any cost passed through for consumers? Is this tailored to basically keep the cost of these products competitive and in line with other states?

And, again, my district borders Massachusetts. We're always battling Massachusetts. It's a lovely state. I have friends in Massachusetts. But, as many of us are aware, we have districts that border other states.

And so if they have cheaper gasoline, my poor gasoline stations are always at a disadvantage. If

005386

71

jmk

Senate

June 5, 2007

they've got cheaper cigarettes, my 7-11s and corner stores are at a disadvantage.

I'm concerned about if our clothing taxes go up, you know, we're going to be at a competitive disadvantage with folks that can just drive over the border.

And so regarding that particular issue, is this tailored to not affect consumers so that our retailers won't be at a competitive disadvantage, through you, Mr. President?

THE CHAIR:

Senator Finch.

SEN. FINCH:

Mr. President, I think that at the outset, the remarks I made about competition need to be repeated. I didn't initially warm up to this proposal. I had another idea in mind.

And I think that one of the attractions to this particular proposal, the manufacturer's

005387

jmk

72

Senate

June 5, 2007

responsibility, Senator Kissel, through you, Mr. President, is that we believe that if the manufacturer is including the cost of properly disposing of these dangerous items at the end of life, that because of the fact that it's included in the price, it will have a downward pressure on the overall cost of the collection and recycling.

It will put pressure on that market to do it as efficiently as possible. And so we think that, of all the methods that we could choose, the manufacturer's responsibility helps us control the price the best. In the other model, you actually set the fee.

It's an advance recovery fee, and you vote on it here. Is it \$8, or is it \$10? But there's no pressure on that price. This being included in the market puts a pressure, in terms of competition, downward.

So I think if we're going to do anything in terms of price, this is probably the better alternative.

005388

jmk

73

Senate

June 5, 2007

And in terms of Massachusetts, I've been told that the State of Massachusetts does have a program. It's not as encompassing as this, but they will be looking to us for leadership in this regard.

And the Council of State Governments is very active in trying to get all of the states that have been participating in the development of this plan to implement it eventually.

THE CHAIR:

Senator Kissel.

SEN. KISSEL:

Thank you very much, Mr. President. Through you, another question. Quite often, schools and private schools, parochial schools get the benefit of corporate donations of computer equipment, things like that.

Its life cycle for business use tends to be very quick. And one of the nice things that occurs in our society is that corporations, being good corporate

005389

jmk

74

Senate

June 5, 2007

citizens, end up donating their equipment to youth groups, parochial schools, other entities like that.

Is there anything in this legislation that would not allow either an individual or a corporation from formally giving over these pieces of electronic equipment to another entity rather than putting it into the recycling stream, through you, Mr. President?

THE CHAIR:

Senator Finch.

SEN. FINCH:

Mr. President, so long as the school who receives it as a donation disposes of it properly, there is absolutely nothing that would change this and would discourage that in any way. And I would point out that leased computers are exempt under this bill.

THE CHAIR:

Senator Kissel.

SEN. KISSEL:

005390

jmk

75

Senate

June 5, 2007

Okay. Thank you very much. And another aspect, you had indicated that there would be some kind of bar code or something like that placed on the computers to protect identity theft. One of the things that we run into in this building all the time is proprietary information held by businesses.

I would expect that, especially regarding computers, that they are large consumers of consumers. And when they get done with them, they probably discard them. And I know that businesses all the time are struggling with what they can do to protect sensitive corporate information, business information.

Indeed, those concerns also can be with individuals. And so let's look at it not necessarily individuals, because I think the answer would come if we deal with businesses. Let's say a business, a corporation in Connecticut has done, utilized a computer for three years.

005391

jmk

76

Senate

June 5, 2007

Maybe they've tried, you know, to delete information, but, as we're all very much aware, it's in there somewhere. And then they decide, we're going to shut them down and ship them out. What protections are there to these businesses, and are there similar protections for individuals to make sure?

But specifically for businesses, that any proprietary information, anything in these computers cannot then be turned around and given out to other entities. You know, with the television, I don't have that concern because the television is a television.

But computers are used in businesses all the time, and I just don't know how the recycling business works, whether there might be some way for some nefarious group of individuals to access all sorts of information that could be sitting in these computers, through you, Mr. President.

THE CHAIR:

Senator Finch.

005392

jmk

77

Senate

June 5, 2007

SEN. FINCH:

Thank you, Mr. President. Two responses, number one, I think it's very important that the maker is asking that question, and that's why I mentioned it earlier.

The Commissioner needs to hear that this is a concern, and it has to be in the regs so when it goes back to Regs Review for approval, I urge everyone here in the Circle to make sure that there is identity theft provision in the regulations.

I would point out, having visited computer recyclers, it is a competitive part of how they make a sale.

When they sell to a company that says, I'm going to take your computers, having a certifiable process for destroying the information on the hard drive is an industry standard to which they hold those recyclers to.

005393

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78

Senate

June 5, 2007

And they will lose lots and lots of business if one computer is ever shown to have had information sold from a hard drive, or stolen from a hard drive. So the marketplace has regulated that very well, Mr. President.

THE CHAIR:

Thank you, Senator Finch. Senator Kissel.

SEN. KISSEL:

Thank you very much. And so, again, there will be rules promulgated, I believe, through the Department of Environmental Protection. And, again, for example, and it's a perfect example, we heard of somebody involved in the Department of Defense in Washington, D.C.

They had all this information about our veterans on a computer. It was just a single laptop, and somebody stole the laptop. And all of a sudden, we've discovered that Social Security's numbers for tens of

005394

79

jmk

Senate

June 5, 2007

thousands of veterans are somewhere floating around out there.

This program is tailored not to go into effect until there's rules and regulations, regulations specifically promulgated, I'm assuming approved through the Regulations Review Committee that we've set up to protect all of that critical information from just being lost haphazardly into the marketplace. Again, just to underlie that, through you, Mr. President.

THE CHAIR:

Senator Finch.

SEN. FINCH:

Thank you, Mr. President. I was also reminded, Mr. President, that theft of information from a hard drive is illegal, and it's prosecuted pretty vigorously. So I do believe the maker of this question is absolutely right to highlight this.

005395

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80

Senate

June 5, 2007

This is something we're all concerned with, and I would be absolutely shocked and dismayed if this was not part of those regulations, after the amount of attention that this question has received in both Chambers, Mr. President.

SEN. KISSEL:

And another question through you, Mr. President. I know that we've had recent issues regarding bottle bill and things like that.

For example, in the Town of Enfield, where I reside, Stop & Shop just went through a major renovation, and part of that renovation was an enlarged wing for bottle and can recycling.

And I'm just wondering, mechanically, and, again, not being completely familiar with the legislation before us and seeing it as sort of a huge change in people's lives, okay, we're down the road. Let's say, and again, if this is effective in 2010, or whenever it's actually up and running, I've got a giant TV.

005396

jmk

81

Senate

June 5, 2007

Do I call somebody? Do they pick it up? Do I have to get a van or a pickup truck and cart it somewhere? How does this whole recycling process work?

Because with bottles and cans, you can throw them in a plastic bag and keep them in some side shed until you're ready to make that trip. But my wife and I have a couple of Saturns.

Granted, you can fold down the back seat, but lugging around computers and televisions, especially televisions, you know, you've got to get a buddy to help you lug them. And how's that supposed to work for the consumer? How does it mechanically work for the consumer, through you, Mr. President?

THE CHAIR:

Senator Finch.

SEN. FINCH:

Mr. President, the first year, the second year, we're probably going to have a lot of what's called

005397
82

jmk

Senate

June 5, 2007

orphan computers and televisions that are all sitting out in our garage, up in our attic, in our basement.

But after that, we do anticipate a level stream of these products being properly disposed of. So it's possible that during the first year of the transfer stations and the landfill areas, where people bring their recyclables and their trash, may have a little bit larger stack.

But I think the recycling industry is eagerly anticipating the raw materials that can be recycled from computers is very valuable at the current moment, and I think that the private market will have no problem taking care of the orphan computers that are out there, through you, Mr. President.

THE CHAIR:

Senator Kissel.

SEN. KISSEL:

Thank you very much, Mr. President. But I'm completely unclear as to how this would mechanically

005398

jmk

83

Senate

June 5, 2007

work. Let's say I have a couple of TVs and a computer, I don't even have a garage, and so they're in my attic.

And all of a sudden, this program goes into effect. The Town of Enfield, we have weekly trash pickup. There's no landfill. How does it work for the folks up in my neck of the woods?

Let's say, all right, the law is on the books. We want to do this. Is there a transfer station in every town?

Do I bring it back to, I don't know, one of the Targets or Wal-Mart's, you know, there's no Wal-Mart, but Target or Best Buy or something like that, I just don't know, you know, am I driving past my town to another town? What am I doing? That's all I'm asking.

THE CHAIR:

We're not sure. Senator Finch.

SEN. FINCH:

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84

jmk

Senate

June 5, 2007

Mr. President, for those people who don't have municipal collection, they bring it to wherever they bring their trash. And the town is responsible for providing space, bundling this up, providing for transportation, and then being reimbursed for all those costs.

The bill contemplates municipalities with collection being able to use those collection systems and also be reimbursed for those costs.

THE CHAIR:

Senator Kissel.

SEN. KISSEL:

Thank you. So very important point, and I'll use Enfield as an example because we have both the weekly trash pickup, and we have the weekly recycling.

And also, if you have any kind of bulk trash, you can call the town in advance, pay like a \$50 charge or something around there, and they'll come and take your bulk trash if it's more than [inaudible] I'm sorry.

005400

85

jmk

Senate

June 5, 2007

Using the Town of Enfield, where I reside, biggest town in my district as an example, the way the town works is weekly trash, and it's, you know, whatever you can fit in a regular trash barrel.

We're trying to get people to, the town leaders want people to buy the tipper barrels, but it costs money.

There's recycling, like newspapers, cans, and bottles. But if you have bulky, kind of a special waste that they won't pick up regularly, and a TV probably would fit into that category, you have to call the town, give them a week's notice, and you have to pay like \$50 or \$40 or a fee.

So assuming the towns are now going to be the arm of this, is it your statement that there's money already in the bill, or anticipated to go into the program, so that my municipalities, whether they have contracted out to a private entity or they do it with

005401

86

jmk

Senate

June 5, 2007

their own public works department, will be held harmless?

And part of the question is I want to go back to my constituents and be able to explain this and go back to my town councils and be able to explain this because they're always concerned about unfunded mandates, through you, Mr. President.

THE CHAIR:

Senator Finch.

SEN. FINCH:

Mr. President, through you, if a citizen takes the responsibility of disposing of the TV or the computer and wants to do it for no cost, they bring it to the town collection site that the town designates.

And then the cost of transportation of that computer or television to a recycling center is paid by the manufacturer. The town's responsibility is to designate a collection spot.

005402

87

jmk

Senate

June 5, 2007

Most towns that we spoke to are going to do it at their transfer station or at their town dump, whenever that's open. So we don't see, if a town has a program where they charge for collection of bulky waste, that can still be done by the town.

The town is not going to be compensated for anything above and beyond the collection spot, collecting the designated items, and then they're be compensated from there to the recycler.

THE CHAIR:

Senator Kissel.

SEN. KISSEL:

Thank you. So the way the program works is the manufacturer pays a \$5,000 annual fee. It goes into the state's coffers. The retailer is sort of the policing entity because they're on the hook for legal liability if they're selling goods from a manufacturer who hasn't paid the requisite amount of money.

005403

jmk

88

Senate

June 5, 2007

When the consumer buys the good, eventually, when it's reached its time to get recycled, the consumer would either put it out with the trash, and, hopefully, the town will have set up something to deal with this.

If the town has a landfill, they'll deal with it that way. If a town has a transfer station, they'll deal with it that way. If they don't have anything like that, the state will reimburse them for setting up a collection site.

The consumer does not bring it back to the retailer. So it's not like the bottle bill, where you're bringing it back to the grocery store or package store or wherever. You're bringing it to the curb or bringing it to the other place.

And the consumer, rather than trying to cooperate with all of this, because this is good for the environment, where we're going. They're not going to pay anything more than they would otherwise.

005404

89

jmk

Senate

June 5, 2007

And, hopefully, it won't get billed into the price of the merchandise that they buy. Do I sort of have this bill in a nutshell with that reiteration, through you, Mr. President?

THE CHAIR:

Senator Finch.

SEN. FINCH:

I think the questioner has it very well understood.

THE CHAIR:

Senator Kissel.

SEN. KISSEL:

Thank you very much. Given those answers, and I really appreciate it, I support the bill, and I commend the Co-Chairman of the Environment Committee for bringing it forward. Thank you.

THE CHAIR:

Will you remark further on the bill? Senator Caligiuri.

005405

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90

Senate

June 5, 2007

SEN. CALIGIURI: Thank you, Mr. President. Very briefly, if I may, a question to the proponent through you.

THE CHAIR:

Senator Finch.

SEN. FINCH:

Yes, Mr. President.

SEN. CALIGIURI:

Thank you, Mr. President. Senator Finch, just for purposes of legislative intent, and I don't believe you addressed this in your exchange with Senator Kissel, and if you did, I apologize.

But as I understand the bill, the Department of Environmental Protection is going to have to promulgate regs, likely to be extensive. I would imagine that there will be a collaborative process, as much as is appropriate, between manufacturers and the department during the course of that process.

005406

jmk

91

Senate

June 5, 2007

At least in my view, I think it would be helpful, as a matter of legislative intent, to establish if that's our expectation. If it is your expectation, Sir, for purposes of legislative intent, would you agree that that is what we're expecting will happen?

THE CHAIR:

Senator Finch.

SEN. FINCH:

Yes, Mr. President. In fact, I think the process informally has already begun. Everyone knows that the production of these items is an international market. These items are made far and wide. And there's already some issues that, I think, really need to be looked at.

And we have pointed this out to the Commissioner, and we fully anticipate that these particular anomalies, the Connecticut market will be reflected in the regulations.

THE CHAIR:

005407

jmk

92

Senate

June 5, 2007

Senator Caligiuri.

SEN. CALIGIURI:

Through you, Mr. President, thank you to Senate Finch for that. I appreciate it.

THE CHAIR:

Will you remark? Will you remark further on the bill? Senator LeBeau.

SEN. LEBEAU:

Thank you, Mr. President. Good afternoon. I don't have a question for Senator Finch, but I would like to congratulate him and Representative Widlitz and others who were involved in the writing of this bill.

This is a program that we've needed for years. We're throwing away materials. It's interesting, I remember Buckminster Fuller some years ago, and that dates me, right, Buckminster Fuller said that, essentially, pollution is an unused resource.

005408

jmk

93

Senate

June 5, 2007

And as we move into the future, more and more, we're taking the pollutants and making them into resources. There is gold. There is chromium. There is lead.

There is mercury in all of these electronic devices that we've been throwing away, and the plastics and the metals also. But these are pollutants that endanger our future if we throw them in landfills, and we burn them in our smokestacks.

The lead goes into the air and ends up, ultimately, in our water and in our bodies. It's not good for our health, and this bill will take those materials and, ultimately, will recycle them and get them back into our economy.

So it's a real plus. This is a bill, as I said, I remember dealing with this issue when I was on Environment seven or eight years ago.

But the time has come for us to pass this bill and to take those pollutants, make them into

005409

94

jmk

Senate

June 5, 2007

resources, recycle them, and make our economy that much more efficient, in terms of trying to preserve a future for our children and our grandchildren. Thank you, Mr. President.

THE CHAIR:

Thank you, Senator LeBeau. Will you remark? Will you remark further on the bill? Will you remark? Senator Finch.

SEN. FINCH:

Mr. President, if there are no objections, I would ask that the item be placed on the Consent Calendar.

THE CHAIR:

Hearing and seeing none, so ordered. Mr. Clerk.

THE CLERK:

Calendar Page 11, Calendar 403, File 495, Substitute for Senate Bill 1365, An Act Establishing the Bradley International Airport Economic Development Corporation for Airport-Driven Economic Development,

S-553

CONNECTICUT
GEN. ASSEMBLY
SENATE

PROCEEDINGS
2007

VOL. 50
PART 17
5416-5729

005423

108

jmk

Senate

June 5, 2007

Calendar 657, Substitute for House Bill 7037.

Calendar Page 6, Calendar 661, Substitute for
House Bill 7025.

Calendar 662, House Bill 6988.

Calendar 663, Substitute for House Bill 6983.

Calendar Page 7, Calendar 664, Substitute for
House Bill 7249.

Calendar Page 8, Calendar 669, Substitute for
House Bill 7231.

Calendar Page 13, Calendar 593, Substitute for
House Bill 7263.

Calendar 597, House Bill 5927.

Calendar 601, Substitute for House Bill 7139.

Calendar Page 14, Calendar 121, Substitute for
Senate Bill 1100.

Calendar Page 15, Calendar 329, Substitute for
Senate Bill 1249.

Calendar 466, Substitute for Senate Bill 1047.

005424

jmk

109

Senate

June 5, 2007

Mr. President, that completes those items placed on the first Consent Calendar.

THE CHAIR:

Please call the roll again. The machine will be open.

THE CLERK:

The Senate is now voting by roll call on the Consent Calendar. Will all Senators please return to the Chamber.

The Senate is now voting by roll call on the Consent Calendar. Will all Senators please return to the Chamber.

THE CHAIR:

THE CHAIR:

Have all Senators voted? If all Senators have voted, the machine will be locked. The Clerk will call the tally.

THE CHAIR:

Motion is on adoption of Consent Calendar No. 1.

005425

jmk

110

Senate

June 5, 2007

Total number voting, 36; those necessary for adoption, 19. Those voting "yea", 36; those voting "nay", 0. Those absent and not voting, 0.

THE CHAIR:

Consent 1 passes. Senator Looney.

SEN. LOONEY:

Yes, Mr. President, there was an item on the Consent Calendar that needs to be reclaimed, I believe, for purposes of an amendment later on. Would move to reconsider that item. It was on Calendar Page 13, Calendar 597, House Bill 5927.

THE CHAIR:

The motion is to reconsider. Will you remark?

SEN. LOONEY:

Yes, Mr. President, would like to reconsider the placement of that item on the Consent Calendar and to mark it Passed Temporarily instead.

THE CHAIR:

Hearing and seeing no objection, so ordered, Sir.

H-1002

CONNECTICUT
GEN. ASSEMBLY
HOUSE

PROCEEDINGS
2007

VOL. 50
PART 19
5979-6280

006136

pat 32
House of Representatives June 1, 2007

Those voting Nay 1

Those absent and not voting 19

SPEAKER AMANN:

The Bill passed as amended. Ladies and gentlemen, just one quick announcement. Just one quick announcement. If you haven't seen our class picture, it is here. It has arrived. It's right outside here, and I'll tell you, you guys are going to love it. It is absolutely beautiful.

The Chamber looks terrific. If you have an opportunity, step outside. Take a look at it. I just wanted to let you know. I think every one of us would like to have this as a keepsake, so whenever you have the opportunity, take a look.

DEPUTY SPEAKER FRITZ:

The Clerk will please return to the Call of the Calendar. Will the Clerk please call Calendar Number 565.

CLERK:

On Page 37, Calendar Number 565, Substitute for
House Bill Number 7249, AN ACT CONCERNING THE

006137

pat
House of Representatives

33
June 1, 2007

COLLECTION AND RECYCLING OF COVERED ELECTRONIC
DEVICES, Favorable Report of the Committee on
Appropriations.

DEPUTY SPEAKER FRITZ:

Representative Roy.

REP. ROY: (119th)

Good morning, Madam Speaker. Good to see you on
the dais.

DEPUTY SPEAKER FRITZ:

Thank you, Sir.

REP. ROY: (119th)

Madam Speaker, I move acceptance of the Joint
Committee's Favorable Report and passage of the Bill.

DEPUTY SPEAKER FRITZ:

The question is on acceptance and passage. Will
you proceed, Sir?

REP. ROY: (119th)

Yes, thank you, Madam Speaker. Madam Speaker,
what this Bill does is locally address, or to reduce
the major worldwide environmental hazard, that public
safety hazard that is currently created by electronic

006138

pat
House of Representatives

34
June 1, 2007

waste, namely, televisions, computers, and other
electronic equipment. I move passage.

DEPUTY SPEAKER FRITZ:

The question is on passage. Will you remark
further on the Bill before us? Will you remark
further on the Bill before us? Representative Widlitz
from Guilford.

REP. WIDLITZ: (98th)

Good morning, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Thank you, Madam.

REP. WIDLITZ: (98th)

Madam Speaker, the Clerk has LCO Number 8578.
Will he please call and I be allowed to summarize.

DEPUTY SPEAKER FRITZ:

Will the Clerk please call LCO Number 8578
designated House "A", and the Representative has asked
leave to summarize.

CLERK:

LCO Number 8578, House "A", offered by
Representatives Widlitz, Roy and O'Rourke.

006139

pat
House of Representatives

35
June 1, 2007

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Thank you, Madam Speaker. Madam Speaker, the Amendment is a strike-all Amendment, becomes the Bill. What it does is to establish a statewide electronics recycling plant for certain electronic devices, which include computers, monitors and televisions. I move adoption, Madam Speaker.

DEPUTY SPEAKER FRITZ:

The question is on adoption. Will you remark further on the Amendment before us?

REP. WIDLITZ: (98th)

Yes, Madam Speaker, thank you. The first question I would like to answer is, why do we need this program at all?

The EPA has called electronic waste the nation's fastest growing category of solid waste. The National Recycling Coalition predicts that as many as 500 million computers will become obsolete by the end of this year.

006140

pat
House of Representatives

36
June 1, 2007

We have concern about that because these products, the cathode ray tube monitors and the televisions contain an average of four pounds of lead each. Some of the older models contain up to eight pounds of lead.

If they're disposed of in landfills, the lead and other toxins can leech into the ground waters, and if they are disposed of at our trash to energy plants, the lead remains in the ash, which again ends up in the landfills.

The plastic material used to house the electronic components often contain brominated flame retardants, which can be toxic, and the newer flat screen TVs, many of them contain mercury, so this is a very important issue.

To protect the public health, we need to make sure these products are properly handled at their end of life use to avoid releasing these toxins into our air and water.

The Amendment establishes a structure for the recycling of computers, and it's based on a regional

006141

pat
House of Representatives

37
June 1, 2007

effort on behalf of the Council of State Governments
and the Northeast Electronic Recycling Council.

This has been worked on over a period of years.
Connecticut was one of ten northeastern states to
participate in this very lengthy and thorough process
of working with stakeholders from all affected
entities, manufacturers, retailers, recyclers,
citizens' organizations and so forth.

After considering many approaches to this issue,
we decided that the Manufacturer Responsibility Model
was proactive in engaging manufacturers to be
responsible for the end of life of their products and
would provide an incentive for designing products that
are less toxic and lend themselves to recycling.

Other states are starting to adopt this approach.
Unfortunately, in the absence of federal action, which
really would make this much easier for all of us, the
states have started to take the initiative, and I hope
that Connecticut will join that effort and be in the
forefront.

006142

pat
House of Representatives

38
June 1, 2007

Madam Speaker, I would like to acknowledge the participation of a couple of people who have worked very, very hard on this.

One is Peg Hall of Branford, who is a solid waste manager. She has enormous expertise and has committed hours and hours to this, even on conference calls for five hours at a time with people from all over the country.

And also Kim O'Rourke of the Connecticut Recycling Coalition. They worked very hard to help us do this the right way.

Madam Speaker, very briefly, I'm going to outline what the Bill does. It requires the Department of Environmental Protection to register manufacturers who will be allowed to sell their products, these covered electronic devices in the State of Connecticut.

To do that, they will fill out a form and they will pay an initial fee, depending upon the size of that manufacturer.

If the manufacturer has sold more than 100 of these covered electronic devices in the previous

006143

pat
House of Representatives

39
June 1, 2007

calendar year, they will be charged a registration fee, an initial registration fee of \$5,000. If they sold less than 100 products, they will be exempt that first year.

The money will be used to set up the ability for DEP to develop regulations and to administer this program. In future years the fee would be based on a sliding scale in order to just meet the expenses for DEP.

All of the fees collected will go into a covered electronic recycling reimbursement account, which is part of the Environmental Quality Fund, and as of January 1, 2009, each manufacturer shall participate in an electronics recycling plan.

Municipalities have a part to play in this. Municipalities will merely be a depository for these electronic devices.

People will have a convenient place to leave their old television sets or computers, and the municipalities will make arrangements, not pay for,

006144

pat
House of Representatives

40
June 1, 2007

but make arrangements with a recycler that will be approved by DEP.

The recycler will be responsible for transporting and recycling these products, and each individual manufacturer will be billed quarterly by that recycler for the cost of recycling and transporting their share of the product.

Manufacturers also may develop their own plan if they would prefer to do that, and if they think they can do it less expensively, that's fine, as long as their plan is approved by the Department of Environmental Protection.

A final ban will go on disposal of the electronic devices into our solid waste facilities on 2010, so we will have time to do regulations. Those regulations will have public hearings, and then we'll come back to Regs Review for final approval. Again, I urge adoption, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Will you remark further on the Amendment before us? Representative Chapin.

006145

pat
House of Representatives

41
June 1, 2007

REP. CHAPIN: (67th)

Thank you, Madam Speaker. Some questions to the proponent of the Amendment, through you, please.

DEPUTY SPEAKER FRITZ:

Please proceed, Sir.

REP. CHAPIN: (67th)

Thank you, Madam Speaker. Since this LCO copy just arrived, and I haven't really had an opportunity to go through it at great length, perhaps it would be easier if we started at the beginning and walked through it.

Can the Lady tell me the differences in Section 1 between the LCO that we reviewed yesterday or the file copy? Is there any difference between this and the file copy that was voted out of the Environment Committee? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Through you, Madam Speaker, basically no. Any changes were merely very technical changes. Through

006146

pat
House of Representatives

42
June 1, 2007

you, Madam Speaker. They are the definitions that are referred to in the rest of the Bill.

DEPUTY SPEAKER FRITZ:

Representative Chapin.

REP. CHAPIN: (67th)

Thank you, Madam Speaker. And again, through you, in yesterday's version I was looking for, under computer or covered electronic device, some description that printers would be included. Are they included somewhere in this LCO? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Thank you, Madam Speaker. Through you, they are not specifically included yet. However, we are encouraging the Department of Environmental Protection, through their regulations, to add peripheral equipment, which would include printers as well as other computer and television related equipment.

006147

pat
House of Representatives

43
June 1, 2007

We're basically walking before we run on this. We're starting on a smaller scale, but printers will definitely be something that we are looking to include, and have encouraged DEP to include in their future regulations. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Chapin.

REP. CHAPIN: (67th)

Thank you, Madam Speaker. And again, through you, I'm pretty sure we have in the past when we were asking or requiring DEP to develop regs, we have been fairly specific about what those regulations should include.

I guess we're, is it fair to say that we're hoping that they'll pick certain items up that are not included under these definitions? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

006148

pat
House of Representatives

44
June 1, 2007

Through you, Madam Speaker, the intent certainly is to include as many electronic products as we are able to accommodate in the future.

As an example, the State of Minnesota has widely expanded in their legislation what they collect. We are choosing to start off with the ones identified in the Bill, but with definite plans to increase.

Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Chapin.

REP. CHAPIN: (67th)

Thank you, Madam Speaker. And again, through you, I know cell phones and the disposal of cell phones comes up occasionally in the news as an issue. Are they included under these definitions? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Through you, Madam Speaker, we did not include cell phones. The cell phones already have take back

006149

pat
House of Representatives

45
June 1, 2007

programs, so we did not include cell phones. Through
you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Chapin.

REP. CHAPIN: (67th)

Thank you, Madam Speaker. Again, through you, I
see, I think it's in Lines 62 to 68 under monitor,
would things such as those small hand-held games,
wouldn't that be covered under the monitor section?
Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Through you, Madam Speaker, there is a
restriction of a four-inch screen. Anything larger
than a four-inch screen, and this also relates, the
monitor relates to a piece of equipment, a video
display component of a computer that does not contain
a tuner. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Chapin.

006150

pat
House of Representatives

46
June 1, 2007

REP. CHAPIN: (67th)

Thank you, Madam Speaker. And as I move forward to Subsection 19, Line 103, would that be where those types of devices would be picked up under video display? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Through you, Madam Speaker, yes, as long as the screen is greater than four inches diagonally.

DEPUTY SPEAKER FRITZ:

Representative Chapin.

REP. CHAPIN: (67th)

Thank you, Madam Speaker. Again through you, and moving forward, and I haven't found which section it is, it may be Section 4, but I heard the Lady speak of market share in somehow determining how those different manufacturers would be accountable for a share of what's defined as orphan device in Lines 114 through 117.

006151

pat
House of Representatives

47
June 1, 2007

Is my understanding correct that under orphan device, where we really can't assign any particular company to that particular product, that depending upon what percentage of let's say Apple or IBM might sell, that they would have that same percentage in covering the cost incurred with the orphan products as well? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Thank you, Madam Speaker. Through you, Madam Speaker, yes, the orphan, what we've referred to as the orphan waste is certainly a problem, because the orphan waste has no identifiable manufacturer that is currently in business that can absorb the cost of the recycling.

So what we have done is to use the percentage as market share that a manufacturer has in the market. I'll use that as an example. If Company X is a manufacturer, and they have 12% of the market share, then the orphans that are collected by a recycler

006152

pat
House of Representatives

48
June 1, 2007

would charge that Brand X, 12% of the cost of transporting and recycling the orphans, and we thought that was the most fair way in going forward. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Chapin.

REP. CHAPIN: (67th)

Thank you, Madam Speaker. And again, through you, I assume different companies and different manufacturers probably between one another do a better job of being more environmentally friendly, whether that's through the components that they use or perhaps just by weight of lead and the other metals that you had referenced earlier.

Have any provisions been made to try to encourage manufacturers or to provide an incentive in this orphan share part for those companies that are actually considered more environmentally friendly? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

006153

pat
House of Representatives

49
June 1, 2007

REP. WIDLITZ: (98th)

Thank you, Madam Speaker. Through you, there certainly are companies that do stellar jobs in recovering their products and recycling them.

By requiring them to reimburse a recycler for the cost of recycling their share of the products that are returned, the easier they are to recycle, and the fewer toxins that are in them, certainly the less expensive it will be to recycle those products.

Some of the manufacturers may prefer to have their own program, and they may prefer to control their costs that way.

That is certainly, we're very flexible in this Bill as long as they meet the requirements of the DEP and explaining their plan so that it is done in a way that is environmentally safe, it is convenient and cost-free to the residential consumer, that would certainly be permissible and encouraged. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Chapin.

006154

pat
House of Representatives

50
June 1, 2007

REP. CHAPIN: (67th)

Thank you, Madam Speaker. Again, through you, so in a case like that where, let's say one particular company, Company X decides that they would rather provide recycling opportunities for 100% of their market share through their own program, would they still be required to participate in this by payment of registration fees, and also, for instance, picking up a market share of the orphan products? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Thank you, Madam Speaker. Through you, yes, every manufacturer who sells in the State of Connecticut would be responsible to pick up their market share percentage of the cost of recycling the orphan products.

They also, in this Bill, there is a provision for them if they so choose, to have a relationship with a recycler of their choice to administer their program.

006155

pat
House of Representatives

51
June 1, 2007

And again, all of that plan would have to be approved by DEP, but that certainly would be allowed and encouraged. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Chapin.

REP. CHAPIN: (67th)

Thank you, Madam Speaker. And again, through you, so does that mean if one particular company wanted to use a recycler that wasn't close to the municipality that I represent, would DEP not allow that because of the inconvenience that that might cause to the people that live in that municipality? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Through you, Madam Speaker, one of the main points of the Bill is that it be convenient for the residential consumer, and free of cost to them.

So the plan would have to make it convenient for people to be able to return those products, and DEP

006156

pat
House of Representatives

52
June 1, 2007

would evaluate that in their plan. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Chapin.

REP. CHAPIN: (67th)

Thank you, Madam Speaker. And again, through you, presently, are municipalities required by law to provide an opportunity for their residents to dispose of these products? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Through you, Madam Speaker, municipalities are currently required to provide safe and sanitary ways to dispose of solid waste.

We will be requiring them to also offer their residents the opportunity to deposit these electronic devices either within that municipality or they may make an arrangement within a regional effort through anyone they may have a contract with.

006157

pat
House of Representatives

53
June 1, 2007

It could be CRRRA. It could be Bristol Resource Recovery. Again, stipulating that it would have to be convenient for the resident. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Chapin.

REP. CHAPIN: (67th)

Thank you, Madam Speaker. And again, through you, so if I understood the answer correctly, presently the municipality has an obligation to provide a certain standard for disposal of municipal solid waste, but maybe not necessarily anything specifically to e-waste. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Through you, Madam Speaker, it is my understanding that the Department, meaning DEP, is working on requirements permitting for just that situation.

006158

pat
House of Representatives

54
June 1, 2007

E-waste must be kept in a place that is dry. Certainly you don't want the toxics leaking through the groundwater, and DEP will outline in their permitting process, those requirements. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Chapin.

REP. CHAPIN: (67th)

Thank you, Madam Speaker. And again, through you, so presently, of 169 municipalities, are there any, does anybody have any data that shows how each municipality is handling e-waste today?

Are they doing it regionally? Are they doing it through their own recycling centers, or perhaps household hazardous waste day for the region? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

006159

pat
House of Representatives

55
June 1, 2007

Thank you, Madam Speaker. Well, I will give you the example of the two towns I represent, through you, Madam Speaker.

In the Town of Branford, people, residents of the Town may bring electronic devices to the transfer station, and the cost of transporting and recycling is absorbed in the tax base.

It is my understanding that it costs the Town well over \$25,000 a year just to support that. And the other town I represent, which is the Town of Guilford, people are charged a fee for dropping off these products at the transfer station.

CRRA, and I know some of the other recycling organizations, do have collection days that are very successful around the state.

But as the market increases with all of these types of products, we really need to have a better way to manage all of this waste that is as EPA claims, is the fastest growing part of the solid waste system.

So I think it's important to be able to know that you can go to your local municipality or a local, a

006160

pat
House of Representatives

56
June 1, 2007

conveniently located regional location, to get rid of these products in a safe manner. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Chapin.

REP. CHAPIN: (67th)

Thank you, Madam Speaker. And again, through you, so if a municipality collects, let's say a dumpster full of e-waste and they have to get rid of that, I assume there's probably some recycling entity that would act to receive that.

Is that normally a cost to the municipality for disposal, or do they actually get paid, perhaps on a tonnage basis? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Through you, Madam Speaker, it is my understanding that they pay for that service. Probably how much they pay depends upon the value to

006161

pat
House of Representatives

57
June 1, 2007

the recycler, and that certainly I'm sure is negotiated on an individual basis.

Under this Bill, municipalities will not incur the cost of transporting the uncovered electronic devices to the recycler.

The recycler will add those costs of transportation in with the cost of recycling, and on a quarterly basis, bill each manufacturer for their share of those costs, so those costs will not be transferred to the municipalities. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Chapin.

REP. CHAPIN: (67th)

Thank you, Madam Speaker. And again, through you, under this proposal then, if transportation, if the cost for transportation is borne by the manufacturer, it's also true that the municipality cannot charge when a person comes to drop off one of these devices? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

006162

pat
House of Representatives

58
June 1, 2007

Representative Widlitz.

REP. WIDLITZ: (98th)

Thank you, Madam Speaker. Through you, that is correct. That is one of the requirements of the plan, is that the people will not be charged to dispose of this equipment.

We want these electronic devices to be properly disposed of. We want to encourage people to do it in the right way, and therefore it needs to be of no cost to them, and it needs to be convenient for them.

Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Chapin.

REP. CHAPIN: (67th)

Thank you, Madam Speaker. So we've determined that under this proposal, that an individual could perhaps go to a recycling center or some transfer station facility, dispose of a computer monitor or a computer or a television at no cost to them. There would be no cost to the municipality for the

006163

pat
House of Representatives

59
June 1, 2007

transportation of that dumpster full of these types of items.

But would the municipality then still have the same contractual obligation to pay for that disposal as you outlined, as the Lady outlined earlier?

Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Through you, Madam Speaker, if I didn't make myself clear, the recycler, the recycler who will charge the manufacturer for their portion of the share of the cost of transportation and recycling, the municipality will not bear those costs. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Chapin.

REP. CHAPIN: (67th)

Thank you, Madam Speaker. And again, through you, so the municipality's obligation I suppose, would be to provide space for a dumpster or a trailer for

006164

pat
House of Representatives

60
June 1, 2007

these items, and obviously perhaps the manpower for when that transfer station or recycling center is open.

I'm assuming that the dumpster itself probably has a rental fee attached to it. Would that also be borne by the manufacturer? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Through you, Madam Speaker, I don't think we actually address in the Bill what the type of storage would be. There would be flexibility in that, and they could certainly negotiate that.

And I will again say that in the regulations developed through, by the Department of Environmental Protection, all of these issues will be clarified before we go forward. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Chapin.

REP. CHAPIN: (67th)

006165

pat
House of Representatives

61
June 1, 2007

Thank you, Madam Speaker. Madam Speaker, I thank you for your patience as well as the proponent of the Amendment.

I rise in support of this Amendment. This clearly has been an issue before the Environment Committee that we have struggled with, including this year, and I think it's fair to say that everyone on the Environment Committee recognizes that this is a problem that we need to address.

And really what it has come down to is, what's the best way to pay to address that problem? There are two schools of thought used by different states.

California has a model that at least I would say is similar to the redemption model of the bottle bill, where at the time of purchase you provide them with a deposit and you can get that back when you bring your old one back, your old device back, and this model clearly goes in the other direction.

And this is really the debate that has taken place on the Environment Committee and it really comes down to, would you like to pay that additional fee at

pat
House of Representatives

006166
62
June 1, 2007

the time of sale, at the point of sale, or do we ask the manufacturers to step up to the plate and try to help us address this issue of how to dispose of these types of devices.

I believe the file copy talked about percentages where I think this version might actually have dollar amounts in it, and it should come as no surprise or as a secret to anybody in this Chamber that these costs, of course, would be high.

But I think it's important to remember that this proposal provides the best chance for our constituents to not have that price, and the cost of disposal thrust upon them.

And I'd like to thank the proponents because they have thoughtfully addressed that same concern when it comes to our municipalities. So therefore, I rise in support of this Amendment. Thank you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Thank you, Representative Chapin. Representative Hetherington.

REP. HETHERINGTON: (125th)

006167

pat
House of Representatives

63
June 1, 2007

Thank you, Madam Speaker, if I may direct a few questions to the proponent of the Amendment.

DEPUTY SPEAKER FRITZ:

Please proceed, Sir.

REP. HETHERINGTON: (125th)

I appreciate the proponent's earlier explanation. I would just like to focus briefly on the manner in which the municipality is saved harmless from its cost.

From where will the payment come that reimburses the municipality for its cost of transfer? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Thank you, Madam Speaker. Through you, Madam Speaker, the municipality will not incur the cost of transportation or recycling.

The responsibility of the municipality is to be a depository for these products, these covered

006168

pat
House of Representatives

64
June 1, 2007

electronic products, and to arrange for transportation to the recycler.

The cost of the transportation and of the actual recycling will be quarterly billed to the manufacturer, dependent upon their share of that cost. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Hetherington.

REP. HETHERINGTON: (125th)

Thank you. Through you, Madam Speaker, when the municipality arranges for transportation, does that mean a municipality contracts with a private transporter to take the recycled material to wherever it's going to be recycled? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Through you, Madam Speaker, that is not specifically addressed in the Bill, through you, Madam Speaker, and I think currently there are not probably

006169

pat
House of Representatives

65
June 1, 2007

more than three, I would guess, recyclers who are geared up at this point to do this statewide.

Municipalities are currently contracting with them individually now, but there would be, since they are responsible in the Bill for arranging the transportation, I would think that yes, they could contract with a recycler to do that. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Hetherington.

REP. HETHERINGTON: (125th)

Thank you, Madam Speaker. What I'm trying to understand, forgive me if it's apparent, but through you, Madam Speaker, doesn't the municipality have to pay the entity with which it contracts, and then presumably is reimbursed? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Through you, Madam Speaker. No, the municipality will not expend any funds. They merely arrange for

006170

pat
House of Representatives

66
June 1, 2007

the transportation. The transportation costs are then billed to the manufacturer along with the recycling costs. Through you, Madam.

DEPUTY SPEAKER FRITZ:

Representative Hetherington.

REP. HETHERINGTON: (125th)

Thank you. My concern is that the municipality is going to have to be the responsible party if the municipality enters into a contract, just as they are now, and if a manufacturer fails to meet its obligation, the municipality is responsible. Is that not true? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Through you, Madam Speaker, no, that is not true. Actually, there is a provision in the Bill if a manufacturer does not pay their bill to the recycler within 90 days, they will lose their ability, they will lose their registration, they will lose their ability to sell their products in the state.

006171

pat
House of Representatives

67
June 1, 2007

In order to be reinstated, they will have to pay the costs that have been incurred, plus a penalty fee. That penalty fee will then go into a fund that will help pay for people who have not, the shortfall for people who have not met their obligations to the recyclers, so there will not be any responsibility to the municipality. That is extremely clear in this plan. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Hetherington.

REP. HETHERINGTON: (125th)

Thank you. And through you, Madam Speaker, the DEP is contemplated to issue regulations, which will specify how the municipality is to store the material pending its transfer and processing? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Thank you, Madam Speaker. Through you, it is my understanding from conversations with the Legislative

006172

68

pat
House of Representatives

June 1, 2007

Liaison to DEP that that permitting is in the works now. They're developing that permit. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Hetherington.

REP. HETHERINGTON: (125th)

Thank you. And through you, Madam Speaker, the costs of reconfiguring a transfer site to accommodate these materials, these recycled electronics, and prevent the escape of hazardous materials, that cost certainly would be upon a municipality. Isn't that correct? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Through you, Madam Speaker, yes, that is correct, and many, many municipalities are already doing that. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Hetherington.

REP. HETHERINGTON: (125th)

006173

pat
House of Representatives

69
June 1, 2007

Thank you. I thank the Representative for her explanation, and I thank you, Madam Speaker. I do think that this is a better plan than others I have seen, and I do think this is an area of waste disposal that needs to be addressed, so I applaud this initiative.

I am, I have a little concern about the responsibilities that may, at least in the short run until the process is smoothed out, the responsibilities for payment that may fall upon the municipalities, but I think that on balance it's a good plan, and I would urge its adoption. Thank you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Thank you, Representative Hetherington. Will you remark further on the Amendment before us?
Representative Kehoe.

REP. KEHOE: (31st)

Thank you, Madam Speaker. A number of questions, please, for the proponent of the Amendment.

DEPUTY SPEAKER FRITZ:

006174

pat
House of Representatives

70
June 1, 2007

Please proceed, Sir.

REP. KEHOE: (31st)

Thank you very much. As someone that comes from a town council, I'm always concerned about adding costs to municipalities and to towns, and thank you for your comments so far that have addressed that, and I just have a few more for clarity on that.

Right now, towns may or may not have a transfer station that may or may not take recycled products. They may do this on a periodic basis and so on, and make arrangements for it.

As I understand the Bill now, will each municipality be required to establish a reception point for the recycled electronic goods? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Thank you, Madam Speaker, through you. Each town will be required to designate a place where their residents may take these covered electronic devices.

pat
House of Representatives

006175
71
June 1, 2007

It may not necessarily be right in that municipality. It could be a regional effort, as long as it's convenient, and that's a very important point to stress.

If it's not convenient, people won't go the extra mile to do this, and the DEP will approve the plans to make sure that everything works out the way it's intended. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Kehoe.

REP. KEHOE: (31st)

Thank you, Madam. Is there any incentive if the costs are being pushed on to the manufacturers, which I want to ask about that in a moment, is there any further incentive for towns doing that on a regional basis where it may be slightly more inconvenient to their members but by doing it on a regional basis that costs are brought down or maintained?

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

006176

pat
House of Representatives

72
June 1, 2007

Through you, Madam Speaker, I think that's something we'll have to go by the experience of what we have when the regulations are developed, and the Bill becomes law and it's enforced.

I think municipalities will have the flexibility of working out a program that suits them best for their residents. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Kehoe.

REP. KEHOE: (31st)

Thank you very much. Through you, Madam Speaker, to the extent that having an additional space, and if that requires bringing in extra dumpsters and so on, and requires an extra person or half of a person salary to monitor that area or to assist in people depositing these items into the receptacle, is that additional cost also, will that be picked up in the amount of money that would be refunded to the town through the mechanism that you described? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

006177

pat
House of Representatives

73
June 1, 2007

Representative Widlitz.

REP. WIDLITZ: (98th)

Thank you. Through you, Madam Speaker, the town will be required to have a collection point for the covered electronic devices. They will actually not be reimbursed for that.

Most towns, I won't say most because I don't have that figure, but many towns are already doing that. I know the two towns I represent currently are.

The cost for transportation and recycling are the costs that will be covered by the manufacturer.

Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Kehoe.

REP. KEHOE: (31st)

Thank you, Madam Speaker. To the extent that we may want to consider for now or for future cleaning up of this, I would expect that there will be some municipalities because they don't want people to just come in and randomly drop these things, or they may need direction to a certain area, or they may need

006178

pat
House of Representatives

74
June 1, 2007

assistance getting them out of their vehicles and into receptacles.

So there may be some incremental cost to the towns, and we may want to at some point if we revisit this, provide for some reimbursement where there's a demonstrated additional cost. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Thank you, Madam Speaker. As with any new program I think we go through the experience, and then we make adjustments as we go along. Certainly, if it becomes a burden on the municipalities we may want to look at that again. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Kehoe.

REP. KEHOE: (31st)

Thank you, Madam Speaker. Just moving on to, from the manufacturers' perspective, and I know there were concerns from some manufacturers' groups with

006179

pat
House of Representatives

75
June 1, 2007

respect to this, and I think as you've explained by putting it on the manufacturers, they're encouraged to perhaps make their products differently, make their products lighter, make their products more easily recycled.

Is that part of the consideration for bringing it to the manufacturers as opposed to some intermediate point of collection of these fees?

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Through you, Madam Speaker. There certainly is an incentive, I feel, built into this for manufacturers to improve their products, to have less toxic materials in them, and also to make them easier to disassemble and recycle.

Certainly, the fewer toxics, then the easier the product is to disassemble, the less the cost will be to do that.

006180

pat
House of Representatives

76
June 1, 2007

So, since they are paying the burden of the cost, it is to their best interest to build a better product. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Kehoe.

REP. KEHOE: (31st)

Thank you, Madam. Through you, Madam Speaker. Was there consideration given to other models for how this might be implemented, and in particular, I'm told that there was a model that's used in California, and I was wondering if that was considered, and if so, what were the pros and cons in models similar to that?

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Thank you, Madam Speaker. Yes, through you, California does use a different system. It's called an advanced recycling fee, or the acronym is ARF, and I contend that ARF is barking up the wrong tree, to make a bad pun.

006181

pat
House of Representatives

77
June 1, 2007

Because, because, it is a tax on the consumer at the point of purchase. The retailers have to collect it. They have to do the accounting for it.

The state has to then collect those funds. They have to administer the program with state employees going around to collect the electronics, to have them recycled.

We wanted to avoid two things. We wanted to avoid putting all of the responsibility on the consumer because under that system, you pay the price, we establish the state bureaucracy, and the manufacturer really doesn't have a role in this unless they choose to have their own program.

It also establishes a, the state bureaucracy that requires more state employees, more benefits, and we did not want to establish that kind of a bureaucracy.

So for those two reasons we rejected that, and I think that was putting more of the responsibility on the manufacturer gives them the incentive to build a better product, and it makes them participate in this

006182

pat
House of Representatives

78
June 1, 2007

rather than just selling the product and walking away.

Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Kehoe.

REP. KEHOE: (31st)

Thank you very much. Through you, Madam Speaker, with respect to the actual entities that will be licensed to be the recyclers that will do the transportation and will otherwise dispose of it, what mechanisms will there be in place, and maybe this is something that has to come from the future regulations.

What mechanisms will be in place to ensure that they are not inflating their costs such that this is an unfair burden on the manufacturers? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Thank you, Madam Speaker. Through you, part of, the recyclers will have to be authorized by DEP. In

006188

pat
House of Representatives

79
June 1, 2007

order to be an authorized covered electronics recycler to participate in this statewide program, they will have to be approved. They will have to meet certain conditions.

And part of that will be restricting their costs to reasonable costs, and there will actually be a cap of 50 cents per pounds as a charge initially, and then we'll see how that works out from there, and if we can certainly achieve any scale of economy that's fine.

And also commenting that the manufacturers may choose to operate their own program, and work with their own recycler.

If they choose to go that route, they think they can keep their costs down further, that's fine, as long as their plan is approved by DEP. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Kehoe.

REP. KEHOE: (31st)

Thank you very much. One final question. So just to amplify on your answer there, so if the DEP

006184

pat
House of Representatives

80
June 1, 2007

decides that the cost that a recycler is attempting to bill back to the manufacturers is excessive, then those can be disallowed, and only what's considered reasonable would be passed on? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Under that scenario, through you, Madam Speaker, under that scenario, I would think that the DEP would have the ability to pull the authorization for that recycler if they do not meet the conditions of the, their stated, of their approved plan. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Kehoe.

REP. KEHOE: (31st)

Would that include disallowing certain costs being passed back to the manufacturer, in addition to, and pulling it kind of takes them out of the business for the future.

006185

pat
House of Representatives

81
June 1, 2007

But if there were costs deemed excessive, would DEP also have the ability like the utility control, to just allow a cost and make them absorb it if they considered it unreasonable?

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Through you, Madam Speaker, I think that will be outlined in more detail through the regulations, which specify specifically what the recyclers would have to do to have their, to be approved by the Department.

Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Kehoe.

REP. KEHOE: (31st)

Thank you very much. Last comment. I think that would be, you know, on behalf of the manufacturers I think that would be a very important consideration. I hope the DEP will take that into consideration, that, you know, if they determine that any particular

006186

pat
House of Representatives

82
June 1, 2007

recycler is trying to pass along excessive costs, that those would be disallowed.

You've mentioned there would be a cap at a certain per pound, and maybe as, where there is more experience developed, and that that cost can be established, then maybe that cap either comes down or on certain case-by-case bases that they determine it to be excessive, that those costs would be disallowed.

Thank you very much. Thank you very much for your answers.

DEPUTY SPEAKER FRITZ:

Thank you, Representative Kehoe. Representative Gibbons.

REP. GIBBONS: (150th)

Thank you, Madam Speaker. Through you, if I may, please, a few questions to the proponent of the Amendment.

DEPUTY SPEAKER FRITZ:

Please proceed, Madam.

REP. GIBBONS: (150th)

006187

pat
House of Representatives

83
June 1, 2007

Thank you. Through you, it's my understanding that this Bill will cover all kitchen appliances, washing machines and things like that that have CEDs within them. Is that correct, please? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Through you, Madam Speaker, no way. Those are excluded. This is limited to the definitions in Section 1 of the Bill. It specifically says that these products that are in an automobile or a refrigerator are exempted.

We don't want to throw those in dumpsters and have our municipalities have to deal with that. Maybe some day we can get to that point, but we're going to walk before we run. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Gibbons.

REP. GIBBONS: (150th)

006188

pat
House of Representatives

84
June 1, 2007

I thank you for that explanation. I missed the part that does not include. I was just skipping, going straight from Line 18 onward down, so that makes it a lot better.

But again, through you, Madam Speaker, what happens to ten-year-old TVs that are very heavy and very bulky. I presume those will be included, will now have to be recycled according to these definitions, please. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Thank you, Madam Speaker. Actually, those old TV sets are the ones that have anywhere from four to eight pounds of lead in them, the old cathode ray tube devices.

So yes, any television, monitor, computer that is brought in will be accepted. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Gibbons.

006189

pat
House of Representatives

85
June 1, 2007

REP. GIBBONS: (150th)

Thank you, Madam Speaker. Again, through you, I think the concern of the manufacturers, or the people representing the manufacturers, that the cost of transportation of these devices from the local way station or facility to the recycling plant is going to be extremely high.

I know there is a cap of what, 50 cents per pound, but even so, if somebody is charged with picking up, you know, 500 different TVs from around a certain area and having to transport them back to a regional center, that could be quite expensive.

Is there going to be some room as this plan rolls out for renegotiating or figuring out how to tweak it, please? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Thank you, Madam Speaker. There is actually a requirement in the Bill that DEP come back and report to the Environment Committee on the status of the

006190

pat
House of Representatives

86
June 1, 2007

program, and hold public hearings to re-assess how this is going, and changes that should be made in the future. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Gibbons.

REP. WIDLITZ: (98th)

I would also like, I'm sorry, Madam Speaker, I would also like to add that currently, our municipalities who are collecting these devices are paying that cost of the transportation and the recycling, so this is still much more beneficial to our towns. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Gibbons.

REP. GIBBONS: (150th)

Thank you, Madam Speaker, and I thank Representative Widlitz for her answers. I, too, believe that this is a very important Bill.

I have some concerns about how it's going to affect the manufacturers, how it's going to affect the municipalities, but I do believe that all of us in

006191

pat
House of Representatives

87
June 1, 2007

this day and age use computers, use hand-held
electronic devices.

The fact that they contain amounts of mercury, of
lead, we've got to figure out how to remove those
agents in a safe way, recycle them, and how we're
going to move forward.

So I'm not sure if this answers, if this Bill
answers all of our questions, but I think it's a very
good start, and I certainly will stand in support of
the Bill. Thank you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Thank you, Representative Gibbons.

Representative Butler.

REP. BUTLER: (72nd)

Thank you, Madam Speaker. I have a couple of
questions for the proponent of this Amendment.

DEPUTY SPEAKER FRITZ:

Please proceed, Sir.

REP. BUTLER: (72nd)

Thank you. Well, I have actually a couple
concerns, and while I have concerns on how these fees

006192

pat
House of Representatives

88
June 1, 2007

will affect the manufacturers, and how they will in turn actually pass on that cost to our state consumers, I am also concerned about how these manufacturers will conduct business in the state once this is in place.

I can appreciate some of the initiatives by doing this would encourage them to actually build products that would be more environmentally sensitive in the future, and I really applaud all those who worked on this initiative because it's a huge problem, not only for the state, but all over the country in terms of our landfills.

And while there's costs associated with that, and how that will affect this whole process, my concern is in the area of identity theft as it pertains to personal computers.

Has any consideration been given in this Amendment that addresses the identity theft of information on personal computers that will be disposed in this process.

006193

pat
House of Representatives

89
June 1, 2007

Certainly, there's going to be mounds and mounds of personal computers with tons and tons of information. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Thank you, Madam Speaker. In order to be an approved recycler, the recycler will have to meet the conditions that DEP sets out in regulations.

I think you've raised an excellent point, and most likely the DEP will be alerted to that issue now because of your question.

It's a very good one, and I think that could be incorporated into the methods that the recycler is going to use as a condition of their being approved as a covered electronic device recycler for the state program. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Butler.

REP. BUTLER: (72nd)

006194

pat
House of Representatives

90
June 1, 2007

Thank you, Madam Speaker. And through you, Madam Speaker, I have another question. In terms of, are there any statutes in place that address the misuse of information that would be collected in this process? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Through you, Madam Speaker, we do have statutes on the books in relation to identity theft. I am not personally informed as to any that have to do with the recycling of computers, but certainly if they do not exist, we should address that issue. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Butler.

REP. BUTLER: (72nd)

Okay. And finally, I would just request, through you, Madam Speaker to the proponent, that I guess I would ask if it would be appropriate to have DEP put protocols in place that would address this very issue?

006195

pat
House of Representatives

91
June 1, 2007

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Through you, Madam Speaker, yes, certainly.

DEPUTY SPEAKER FRITZ:

Representative Butler.

REP. BUTLER: (72nd)

Thank you very much.

DEPUTY SPEAKER FRITZ:

Representative Belden.

REP. BELDEN: (113th)

Thank you, Madam Speaker. Madam Speaker, clearly from the hour, hour and a half of discussion so far, this is a very complex subject, and I think we're embarking down a path that I'm not sure any other state has gone down this path. Through you if I might, some questions to the proponent of the Amendment.

DEPUTY SPEAKER FRITZ:

Please proceed, Sir.

REP. BELDEN: (113th)

006196

pat
House of Representatives

92
June 1, 2007

Thank you. Through you, Madam Speaker, has any other state taken this approach of having the manufacturer handle the recycling? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Through you, Madam Speaker, yes. As a matter of fact in the northeast region the State of Maine has this program, and we've consulted with them extensively to develop our program and use their experience to try to fine tune our Bill.

There are, Minnesota actually has passed a much more strict bill, which I would like to move toward in the future.

Currently, the European Union has environmental standards for the products that are sold there. If you don't meet their standards, you can't sell in the European Union.

Minnesota has actually gone as far as to adopt that requirement in their bill, and they've expanded

006197

pat

93

House of Representatives

June 1, 2007

the universe to all electronic equipment. So I think this is the direction that we would like our federal government to be going in.

Unfortunately, they haven't taken that action so the states are starting to lead, and we hope the federal government will follow.

The State of Washington also has a program of manufacturer responsibility, and the State of Maryland. And it is my understanding that there is legislation similar to this being proposed in approximately 23 states right at this time as we speak. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Belden.

REP. BELDEN: (113th)

Thank you, Madam Speaker. Through you, what happens if the party does not go through the normal recycling process but throws the item in the garbage and it ends up on the separation floor at CRRA? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

pat
House of Representatives

94 006198
June 1, 2007

Representative Widlitz.

REP. WIDLITZ: (98th)

Through you, Madam Speaker. In the Bill there is a ban as of 2011 for depositing any of these covered electronic devices at a solid waste facility, and the word knowingly is in there, of course, as it is consistently throughout the other statutes in relation to things that should not be deposited at solid waste facilities. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Belden.

REP. BELDEN: (113th)

That sounds good, but there's a ban on putting propane tanks in your garbage, too, but on a regular basis the separation facility over at the Hartford project, which was built with an explosion roof on it, blows up because people put propane tanks for propane gas in their refuse, but they try to separate them out.

006199

pat
House of Representatives

95
June 1, 2007

Through you, Madam Speaker, what happens if there are materials put into the recycling flow that don't have a label on them, say in 2010 or 2011?

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Thank you, Madam Speaker. I neglected to mention, as part of this Bill, they are required, every electronic, covered electronic device that is sold in this state will be required to be affixed with a label identifying the manufacturer.

It must be clearly visible, and retailers will not be allowed to sell products that are not, do not have such labeling so we will be able to identify them.

And as we move forward and this becomes into effect, that will become less and less of a problem. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Belden.

REP. BELDEN: (113th)

006200

pat
House of Representatives

96
June 1, 2007

Thank you, Madam Speaker. I don't know how that maybe would apply to Groton or that area. I've been told that there is a 10% turnover of residents in my town every year, and I think that applies throughout the state, which is why I went back to ask about how many states were involved in this.

We are a very small island in Connecticut, and we don't have any, we're not an island. We have borders. People move in and out, and what happens, who gets to pay for the items that do get put into the system that don't have a label on them? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Through you, Madam Speaker, those would become the orphan products that we referred to before that each registered manufacturer picks up the cost based on their market share of the cost of transportation and recycling of those items, and we will vigorously

006201

pat
House of Representatives

97
June 1, 2007

pursue the elimination of those items that are not labeled. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Belden.

REP. BELDEN: (113th)

One last comment, perhaps in the form of a question. I heard discussion, and this is a very complicated subject, and I certainly applaud those that have been working on this trying to come up with a reasonable solution.

There were comments about the consumer's not going to pay, and the municipality is not going to pay.

Ladies and gentlemen, somebody pays. So right now under this file that's before us, a Connecticut resident when they buy any of these products, is going to have a higher cost to it.

I'm not sure how the manufacturers are going to get around it. If you buy an item in Wal-Mart in Connecticut, it may be \$10 more than buying the same

006202

pat
House of Representatives

98
June 1, 2007

item in New York State, and I'm not sure how all of that fits in.

Through you, Madam Speaker, I don't know if there's an answer to this, but perhaps the proponent might share what information might have been ascertained from the other states' activities.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Thank you, Madam Speaker. Through you, Madam Speaker, I would absolutely agree with the Representative that there will be a cost somewhere.

Either the manufacturer may raise the price of their product to cover the cost that they incur. By other systems the consumer would pay the cost up front at the point of purchase.

There is definitely a cost associated with doing something like this. However, there is a greater public health cost of not doing this, which I think is more beneficial to the public in the long run.

006203

pat
House of Representatives

99
June 1, 2007

We cannot allow the mercury and the lead, and the components, the toxic components, to be put in landfills or to go through our trash to energy plants because they will poison us in the end.

And so, you're absolutely right that someone will pay. It's just a matter of, do we bring someone along with us who has responsibility for building a better product and putting less toxic into that product in the first place, and I think this is the right approach. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Belden.

REP. BELDEN: (113th)

I thank the Lady for her response. One more question. She mentioned that you bring items to the transfer station.

In those towns where people put blue bins out in front of their house, is that an acceptable approach to separating the materials and have them collected as they are with scrap paper, cardboard, etc., in front of the house, rather than have, my town has a

pat
House of Representatives

100
006204
June 1, 2007

population of about some 40,000 with about 18,000 or 19,000 residents. I'd hate to see them all go to a transfer station every time they want to put something there.

So, through you, Madam Speaker, the question is, can these items be recycled through the municipal collection system in front of people's residences?

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Through you, Madam Speaker, although that would be an enticing idea, I think because these products contain toxic, certainly if you leave bottles and cans out at the curbside and it rains, it's not a problem.

If you leave a television set or a computer there, it's a problem, and you would have the leeching of toxics, possibly, from that.

This Bill does not envision any kind of curbside pickup. This Bill is simply that the municipality would designate a place for you to bring this product

006205

pat
House of Representatives

101
June 1, 2007

where you could deposit it. Through you, Madam
Speaker.

DEPUTY SPEAKER FRITZ:

Representative Belden.

REP. BELDEN: (113th)

Thank you, Ma'am. I think she had me until that
last answer. It's ridiculous to say that my 18,000 or
19,000 families who currently, every other week have a
truck come by that has segregated compartments that
separates cardboard and cans and whatever else, and is
already burning fuel from everything else to say,
oops, can't.

And right now that other truck that's picking up
the garbage is taking whatever it is that's
contaminating it, smashing it up and putting it in
landfill, now to say that, wait a minute, can't put it
out front any more.

Got to put it in your car, or get a pickup truck
or whatever, take it to the collection point
somewhere.

006206

pat
House of Representatives

102
June 1, 2007

I don't quite understand that, Madam Speaker, and I think I was convinced that it's complicated, and how much I didn't really like it, but this last one is going to affect every constituent in my town in what I think is probably the worst way.

They're going to pay if they put it out front, and people who know how to handle those things pick it up, I believe that's the way to do it. Thank you.

DEPUTY SPEAKER FRITZ:

Thank you, Representative Belden. Will you remark further on the Bill before us? Representative Caron.

REP. CARON: (44th)

Thank you, Madam Speaker. Madam Speaker, may I ask a few questions to the proponent of the Amendment, please?

DEPUTY SPEAKER FRITZ:

Please proceed, Sir.

REP. CARON: (44th)

Thank you, Madam Speaker. Madam Speaker, through you, I've been trying to listen to the debate, and

006207

pat
House of Representatives

103
June 1, 2007

I've had a number of questions come to mind, and some have been answered, some have not.

I heard my friend from Guilford answer to Representative Belden that there were at least two states that currently have a program similar to this one, if not exactly like this one. One is Maine. One is Minnesota.

Minnesota, clearly well outside of the northeast region, but I don't think I heard any states that are, that share a border with Connecticut such as New York, Massachusetts or Rhode Island.

So I guess the question is, do either of those three states that border Connecticut have a similar recycling program for e-waste? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Through you, Madam Speaker, I am not aware of those states of having adopted this type of program.

006208

pat
House of Representatives

104
June 1, 2007

Most of the New England states have this type of legislation under consideration.

The State of Maine already has the program. Massachusetts has had a program of recycling electronic devices for some time. It is not exactly, it was established before this model, and the State of Maryland also has this type of approach. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Caron.

REP. CARON: (44th)

Thank you, Madam Speaker. Madam Speaker, regarding manufacturers, it came to my mind, are there any manufacturers in the State of Connecticut that currently manufactured the covered electronic devices? Through you.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Through you, Madam Speaker, if I understand the question to be, are there manufacturers of computers

006209

pat
House of Representatives

105
June 1, 2007

in the State of Connecticut. Through you, Madam
Speaker, I do not have an answer for that question.
Through you.

DEPUTY SPEAKER FRITZ:

Representative Caron.

REP. CARON: (44th)

Thank you, Madam Speaker. Madam Speaker, I tried
to quickly run through the Amendment and again, a
question that came to my mind concerning manufacturers
was whether or not the foreign manufacturers who we do
know the United States has sent many manufacturing and
assembling jobs overseas, so I would imagine there
would be many more manufacturers who make the computer
products and electronic devices.

It may have been mentioned, and I'm afraid I may
have missed it. How are foreign manufacturers covered
under the Bill, or the Amendment? Through you, Madam
Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

006210

pat
House of Representatives

106
June 1, 2007

Thank you, Madam Speaker. Through you, Madam Speaker, that is covered under the definition of manufacturer beginning in Line 39, and there's an extensive definition of what is qualified as a manufacturer in order to capture just that, whether it's an importer, whether it's a person, a manufacturer who sells licenses to other manufacturers to use their name.

I think we have that, we made a very good effort to try to cover all the bases just to capture all of those situations. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Caron.

REP. CARON: (44th)

Thank you, Madam Speaker. And I guess it comes to my mind, is there a mechanism for compliance that we can count on that these foreign manufacturers will, in fact, comply with these regulations drawn up by DEP and the law itself? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

006211

pat
House of Representatives

107
June 1, 2007

REP. WIDLITZ: (98th)

Through you, Madam Speaker, I think the best we can do is if they do not comply, they do not sell in the State of Connecticut.

They would not, the retailers will have a list of manufacturers. They can refer to a website that DEP will keep current, and any manufacturer that is not registered and on that list, their products may not be sold by retailers in this state. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Caron.

REP. CARON: (44th)

Thank you, Madam Speaker. So if that were the case, then presumably if I'm a retailer that, if I'm a manufacturer who can no longer sell in the State of Connecticut, perhaps I would sell in the State of Rhode Island, Massachusetts or New York, presuming of course, that they do not adopt a bill such as this. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

006212

pat
House of Representatives

108
June 1, 2007

Representative Widlitz.

REP. WIDLITZ: (98th)

Through you, Madam Speaker, that certainly is a possibility. This plan is restricted to Connecticut residents depositing the computers and monitors and televisions that they have in their homes to their municipalities.

That is why we really are hoping that because of the action of the state taking this issue on, that the federal government will follow, so that we have a uniform, and there's a provision in the Bill, toward the end of the Bill also, if there is a federal program, certainly that will be preferable and preempt any of the state programs. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Caron.

REP. CARON: (44th)

Thank you, Madam Speaker. Madam Speaker, I guess this brings a question to my mind, and I didn't see it in the Bill, and presumably DEP could perhaps do, this,

006213

pat
House of Representatives

109
June 1, 2007

but is there a mechanism for developing a regional compact with other states so that we do have some uniformity for making sure that this actually does exactly what we're trying to do? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Thank you, Madam Speaker. Yes, again, toward the end of the Bill there is a section relating to having the Commissioner cooperate with other states to develop a regional approach. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Caron.

REP. CARON: (44th)

Thank you, Madam Speaker. And Madam Speaker, like Representative Belden, I find this certainly complicated in terms of distribution channels, manufacturers, compacts, the issue of toxicity in the environment, what's already in our landfills, how are

006214

pat
House of Representatives

110
June 1, 2007

we going to recover that, closed loop systems for a variety of waste streams to put back in the industrial process.

And I appreciate the effort and work that many people have put into this proposal, and I appreciate the answers from my friend from Guilford. Thank you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Thank you, Representative Caron. Will you remark further on the Amendment before us? Representative Candelora.

REP. CANDELORA: (86th)

Thank you, Madam Speaker, if I may, I have a couple of questions for the proponent of the Amendment.

DEPUTY SPEAKER FRITZ:

Please proceed, Sir.

REP. CANDELORA: (86th)

Thank you, Madam Speaker. I just wanted to get my arms around a little bit of the fee schedule. The way I understand it is, the manufacturers would pay a

006215

pat
House of Representatives

111
June 1, 2007

fee that's established through the state agency, and then they'd also be paying for the transportation costs to each individual recycler in Connecticut?

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Thank you, Madam Speaker. Through you, Madam Speaker, the fee, they will pay a fee when they register with the Department of Environmental Protection, the manufacturers who wish to sell in the state.

That fee as we go forward, will be restricted to only cover the cost that it takes DEP to oversee, administer the program. So we will regulate that as we go forward, and the DEP will actually have public hearings on that.

The first is to set up the program to get it moving, the initial fee will be \$5,000. It will be adjusted after that on a sliding scale based on their market share, and as I said there will be public hearings and regulations developed with that.

006216

pat
House of Representatives

112
June 1, 2007

That is separate from the cost that the manufacturer will bear of the transporting and recycling of their share of the covered electronic devices that are received by the recycler. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Candelora.

REP. CANDELORA: (86th)

Thank you, Madam Speaker. And through you, these recycle agencies, the covered electronic recycler, when they are permitted through DEP, does DEP also oversee their cost. Is their schedule set up for how much the recycling may cost, and how much the estimated transportation cost would be?

And the reason I ask the question is, the concern I had is that, you know, what we envision in Connecticut having 12 different recycling companies in Connecticut with large varying degrees of how much it would cost them to recycle, is there some kind of control mechanism that oversees the efficiency of these organizations and makes sure that we're still

006217

pat
House of Representatives

113
June 1, 2007

focusing on achieving the goals that are set forth in
this Bill?

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Thank you, Madam Speaker. Through you, part of
what the DEP will review in the application of a
recycler to participate in this statewide program will
be their cost structure, and their focus will be on
reasonable cost.

We have put in a cap of 50 cents per pound that
they may not exceed, to try to, that was a concern
that we tried to address. We do not want people
making money on this that is not directly related to
the cost of transportation recycling.

So DEP is well aware of that, and that will be
reflected in the regulations and in the process of
approving them, authorizing them. Through you, Madam
Speaker.

DEPUTY SPEAKER FRITZ:

Representative Candelora.

006218

pat
House of Representatives

114
June 1, 2007

REP. CANDELORA: (86th)

Thank you, Madam Speaker. And also, in putting forth this Bill, I can appreciate that I think that there is an incentive for manufacturers to come up with more environmental friendly devices.

Looking down the road in the future, or does this Bill currently contain, any type of possible exemptions for manufacturers that do come up with devices, a TV set that doesn't contain any of these environmentally sensitive chemicals or substances so that they wouldn't be subject to these provisions?

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Through you, Madam Speaker, as I mentioned, the DEP will come back to the Environment Committee with a report on the status of the program, how it's working.

As we go forward there will be new products. There will be all kinds of issues that we will have to deal with in the future.

006219

pat
House of Representatives

115
June 1, 2007

Certainly, there are many companies right now that are, that produce very environmentally sensitive products, or friendly products, I should say. As I mentioned, the European Union has restrictions on what can actually be sold there, depending upon the standards for the recycling and their components.

There are two things. First of all, if a manufacturer produces a product that has fewer toxins, is easier to disassemble, the cost will be lower to recycle that product. That will be reflected in the billing to that manufacturer.

They also have the option of developing their own program. If they think they can keep their cost down, they have a better product, they have the ability to contract with a specific recycler and operate their own program, again with the requirements that it be free to the residents of the State of Connecticut, and that it be convenient. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Candelora.

REP. CANDELORA: (86th)

006220

pat
House of Representatives

116
June 1, 2007

Thank you, Madam Speaker. And thank you for the answers to my questions. I think that overall this is a good Bill. I think it's important for us to take this step forward in addressing these issues, and that's all. Thank you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Thank you, Representative Candelora. Will you remark further on the Amendment before us? Will you remark further on the Amendment before us? Representative Sawyer.

REP. SAWYER: (55th)

Thank you, Madam Speaker. A question to Representative Widlitz, please.

DEPUTY SPEAKER FRITZ:

Please proceed, Madam.

REP. SAWYER: (55th)

At the present time, how many towns do not have an electronic recycling program? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

006221

pat
House of Representatives

117
June 1, 2007

REP. WIDLITZ: (98th)

Through you, Madam Speaker. I don't have that information. They're not required to at this point, so I really don't have the data on that. Through you, Madam Speaker.

REP. SAWYER: (55th)

I know that in the towns that I represent each of them have one, and it has been fairly successful from my understanding from the towns.

We had a discussion at one point about the difficulties of recycling paints, as well as electronic equipment, and they were about eight, ten years ago, struggling with how they were going to do it and had come up with a successful program, and it was done by a regional basis.

I'm a little confused in trying to read the fiscal analysis of this, how much money would be available for the recycling program after the DEP's cost for two to three additional people? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

006222

pat
House of Representatives

118
June 1, 2007

Representative Widlitz.

REP. WIDLITZ: (98th)

Through you, Madam Speaker, the fiscal note actually reflects that there will be more money, predicts that there will be more money taken in than expended, so I think that's a good indication. It's a good start.

As I mentioned, the DEP is not trying to generate excess funds from this. They merely want to cover their costs of operating and regulating the program, and that is why there will be public hearings based on future rates, future fees charged to manufacturers.

The first year there is a flat fee, after, to get the program up and running. In subsequent years that fee will be based on a sliding scale based on the market share of the manufacturer. So I think the fiscal note brings in more than it sends out at this point. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Sawyer.

REP. SAWYER: (55th)

006223

pat
House of Representatives

119
June 1, 2007

Thank you, and I thank the Lady for answering.
Just a couple more questions, please. Just for
clarity's sake, who will be responsible for paying for
the products that are defunct, or for the
irresponsible manufacturers who do not participate in
this program? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Through you, Madam Speaker, I'm sorry. Would the
Lady please repeat her question?

DEPUTY SPEAKER FRITZ:

Representative Sawyer.

REP. SAWYER: (55th)

Thank you, certainly. Who would be responsible
for paying for the defunct manufacturers, the older
products? Who is responsible for paying for the
irresponsible manufacturers who would not be
contributing to this? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

006224

pat
House of Representatives

120
June 1, 2007

REP. WIDLITZ: (98th)

Thank you, Madam Speaker. I assume the Lady is referring to the orphans that we have defined as not having a manufacturer responsible for their cost of transportation recycling.

The way this Bill is set up is that each registered manufacturer would pick up a share of the cost of handling the orphan products based on their market share.

As an example, if a manufacturer has 12% of the market share based on the previous year's figures, they would pick up 12% of the cost of any orphans that were brought in.

And as we go forward, that should be reduced dramatically as the years go on, because we do require in this Bill that any electronic equipment covered under this Bill, has to have a manufacturer's label on it or it will not be sold in this state.

So as we go forward and this Bill moves on, we will have safeguards in place for those orphans being dumped on the market. Through you, Madam Speaker.

006225

pat
House of Representatives

121
June 1, 2007

DEPUTY SPEAKER FRITZ:

Representative Sawyer.

REP. SAWYER: (55th)

And one final question. In the case of cathode ray tubes from old x-ray machines, would they be covered? Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Through you, Madam Speaker, the older televisions have the cathode ray tubes, and those are the ones that are the problem with all of the lead.

Some of those old television sets can have from four to eight pounds of lead in them, and it's very important to get those old products into this system to properly recycle them. They will certainly be included. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Sawyer.

REP. SAWYER: (55th)

006226

pat
House of Representatives

122
June 1, 2007

I apologize. Perhaps you didn't hear my question because of distractions. I was asking about x-ray machines.

DEPUTY SPEAKER FRITZ:

Representative Widlitz.

REP. WIDLITZ: (98th)

Thank you, Madam Speaker. You caught me. I was distracted. No, this applies at this point, this Bill is only for computers, monitors and television sets. It does not include any other types of electronic equipment. Through you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Representative Sawyer.

REP. SAWYER: (55th)

Having had the experience of trying to dispose of a cathode ray tube x-ray machine, I do understand that that is a problem as well. I thank the Lady for her answer.

You know, one of the things that concerns me about trying to do this on a state-by-state basis is

006227

pat
House of Representatives

123
June 1, 2007

that we're a very tiny speck, very tiny speck in the electronic industry.

It's international, and to try and go back to these companies as a tiny little speck, well done, well done, the third smallest state in the union.

There are a couple countries in the European Union that are smaller than we are, but not many, and when you look at the competition between Connecticut and say, China, Connecticut and say, India, it really doesn't work.

I think it's a very, very noble idea, and at this point I haven't even decided how I'm going to vote on this, but I'm very concerned about the opposition by the Electronic Manufacturers Coalition for Responsible Recycling. That bothers me a lot.

I'm very bothered by the fact that the towns have been working very hard at trying to do this type of recycling.

I'm bothered also by the answer that was given to Representative Belden's question about not being able to put the recycling out by the roadside.

006228

pat
House of Representatives

124
June 1, 2007

We know how successful the roadside recycling is, and I do know that we have a problem with situations like paints when we go to recycle them.

What do people do? They invariably try and bury them in the bottom of their trash when they throw away something.

So if you don't make it terribly easy, people don't want to do it. They find other ways. Their lives are so busy, and I go back to the problem that we have of being one of the smallest states, in a country that yes, has a lot of electronics, and I think something like this perhaps could work on a national, on an international basis, but I think it's a hardship on the DEP.

I think it's a hardship on our consumers, and I think it's going to drive people across the state lines to do their purchasing. Thank you, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Will you remark further on the Amendment before us? Will you remark further on the Amendment before

006229

pat
House of Representatives

125
June 1, 2007

us? If not, let me try your minds. All those in favor please signify by saying Aye.

REPRESENTATIVES:

Aye.

DEPUTY SPEAKER FRITZ:

The Ayes have it. The Amendment is adopted.

Sorry, sorry, sorry. Shall we start from the beginning? All those in favor please signify by saying Aye.

REPRESENTATIVES:

Aye.

DEPUTY SPEAKER FRITZ:

Those opposed, Nay.

REPRESENTATIVES:

No.

DEPUTY SPEAKER FRITZ:

The Ayes have it. Is everybody happy? Will you remark further on the Bill as amended? Will you remark further on the Bill as amended? Representative Caruso.

REP. CARUSO: (126th)

pat
House of Representatives

006230
126
June 1, 2007

Good afternoon, Madam Speaker.

DEPUTY SPEAKER FRITZ:

Good afternoon, Sir.

REP. CARUSO: (126th)

Madam Speaker, the Clerk has in his possession,
LCO Number 8613. I ask that he read and I be allowed
to summarize.

DEPUTY SPEAKER FRITZ:

The House will have to stand at ease. We do not
have a copy of the Amendment.

(CHAMBER AT EASE)

DEPUTY SPEAKER KIRKLEY-BEY:

Will the House please come back to order.
Representative Caruso, you have the floor, Sir.

REP. CARUSO: (126th)

Madam Speaker, I ask that the Clerk call
Amendment LCO Number 8613, and I be allowed to
summarize.

DEPUTY SPEAKER KIRKLEY-BEY:

006231

pat
House of Representatives

127
June 1, 2007

In the changing of the guard, I didn't hear that,
Sir. Will the Clerk please call LCO Number 8613,
which will be designated House Amendment "B".

CLERK:

LCO Number 8613, Hous : "B" offered by
Representatives Keeley, Caruso, Senator Finch, et al.

DEPUTY SPEAKER KIRKLEY-BEY:

The Representative has asked to summarize. Is
there any objection? Hearing none, please proceed,
Sir.

REP. CARUSO: (126th)

Thank you, Madam Speaker. Madam Speaker, this
Amendment would assist the City of Bridgeport, which
currently is a host town of a resource recovery
facility.

Back in the mid-1980s, Bridgeport entered into an
agreement to be a host community for our resource
recovery authority with a pilot of \$2.4 million in
lieu of taxes.

In 2008, the facility will have paid off its bond
obligations of \$17 million a year, and then at that

006232

pat
House of Representatives

128
June 1, 2007

point an operator will be chosen to run and manage the facility.

This Amendment would allow the City of Bridgeport to negotiate appropriate taxes for the facility. It could equal to roughly \$4 million more in our city budget, and we feel that being 2008 is soon upon us, we felt that we needed to in this Session, provide us the opportunity to appropriately negotiate. So at this point I move adoption of the Amendment.

DEPUTY SPEAKER KIRKLEY-BEY:

The question before us is on adoption of the Amendment.

REP. CHRIST: (11th)

Madam Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Christ, for what reason do you rise, Sir.

REP. CHRIST: (11th)

Madam Speaker, this Amendment is not germane to the underlying Bill, and therefore my point of order is that this is not germane.

006233

pat
House of Representatives

129
June 1, 2007

DEPUTY SPEAKER KIRKLEY-BEY:

The House will stand at ease for a moment.

(CHAMBER AT EASE)

Will the House please come back to order. Will
the House please come back to order. The question
before the Chamber is whether the Amendment, LCO
Number 8613 is germane to the underlying Bill.

To determine if this Amendment is germane to the
Bill, you must examine the provisions in Mason's
Manual, in particular, Sections 402, Subsection 2,
Section 402, Subsection 3, Section 402, Subsection 4.

Subsection 2 of Section 402 requires an amendment
to be relevant, appropriate, and in natural and
logical sequence to the subject matter of the original
proposal.

Subsection 3 of Section 402 requires the subject
of the amendment relate to the same subject as the
original proposal.

And Subsection 4 of Section 402 requires that all
amendments be germane to the main purpose of the
original proposal.

006234

pat
House of Representatives

130
June 1, 2007

An examination of the provisions of Mason's Manual reveals a common theme, that is, that the subject of both the amendment and the underlying bill must be the same and that the relationship between the bill and the amendment must be reasonably related.

Let's now examine the Amendment and the Bill. The underlying Bill as amended, establishes a statewide electronics recycling program.

On the other hand, House Amendment Schedule "B", if passed, would provide a mechanism for a municipality, which is host to a resource recovery authority facility to pursue the taxation of the real and personal property of the facility, notwithstanding the current prohibitions contained in 22a-270.

While both the Bill and the Amendment deal with the disposal of waste, the subject of each proposal is different. That is to say, the subject of these two measures is not the same.

In the case of the Bill, the subject is establishing a system to recycle and dispose certain types of electronic devices.

006235

pat
House of Representatives

131
June 1, 2007

In the case of the Amendment, the subject is providing a mechanism for certain municipalities to collect real and personal taxes.

The mere fact that both deal with the disposal of waste does not satisfy the requirement that the Amendment must be reasonably related to the subject matter of the underlying Bill.

The Amendment is neither relevant, appropriate, or in the natural sequence of the subject matter of the Bill. Consequently, the Amendment is not germane, and Representative Christ's point of order is well taken, and the Amendment is ruled out of order.

Will you remark further on the Bill as amended?
Will you remark further on the Bill as amended? If not, staff and guests please come to the Well.
Members take your seats. The machine will be opened.

CLERK:

The House of Representatives is voting by Roll Call. Members to the Chamber. The House is voting by Roll Call. Members to the Chamber, please.

DEPUTY SPEAKER KIRKLEY-BEY:

006236

pat
House of Representatives

132
June 1, 2007

Will all Members please check the board to see that your vote has been properly cast? Will all Members please check the board to see that your vote has been properly cast.

The machine will be locked. The Clerk will prepare the tally. The Clerk will announce the tally.

CLERK:

House Bill Number 7249, as amended by House Amendment Schedule "A".

Total Number Voting	146
Necessary for Passage	74
Those voting Yea	139
Those voting Nay	7
Those absent and not voting	5

DEPUTY SPEAKER KIRKLEY-BEY:

The Bill as amended passes.

DEPUTY SPEAKER GODFREY:

Are there any announcements or introductions?
The gentleman from Waterbury, 74th District,
Representative Noujaim.

REP. NOUJAIM: (74th)

JOINT
STANDING
COMMITTEE
HEARINGS

ENVIRONMENT

PART 8
2392-2738

2007

002645

3

kcvc

ENVIRONMENT

February 28, 2007

SEN. FINCH: Not as much as you.

REP. ROY: Our next, our first speaker for the day,
Commissioner Gina McCarthy.

COMM. GINA MCCARTHY: Hi. My name is Gina McCarthy. SB1289
I'm Commissioner at the Department of
Environmental Protection and beside me is Bob
Kaliszewski, who is the Director of our Office
of Planning and Program Development.

And he oversees everything from our mercury
collection program to our Bottle Bill to our
solid waste management plan that was recently
submitted.

I, first of all, want to begin just by thanking
the Committee. And I know that you have many
esteemed guests to follow who are much more
exciting, and cuter by far than I am.

So I will keep my remarks as short as possible
and also, like the Chairman, try to hold my
excitement in check relative to the idea of
expanding the Bottle Bill, which frankly makes
me salivate every time I say that.

But let me explain to you what my feelings are
and briefly cover the electronics bills. I
know that is something that is going to be a
focus of an informational hearing, so I don't
want to spend a lot of time on that. But you
know, have two raised bills, Raised House Bill
7249 and Raised Senate Bill 1225.

Raised Senate Bill 1225 identifies an advanced
recovery fee for the collection of electronic

002646

4
kcvc

ENVIRONMENT

February 28, 2007

waste products and Raised House Bill 7249 is a second model for electronic recycling. DEP considers both of them to be worthy of your thoughtful consideration.

However, our preference would be to go to the producer-responsibility model because it will provide some impetus for manufacturers who will bear the cost associated with the, with the recycling of the products at the end of their life.

It will provide them some incentive to re-design their products to, hopefully, extend their useful life, to minimize the toxics that are used in their components, and to approve, improve the ability of the product itself to be recycled.

So that is our preference. And let me now, if I could, move onto the Bottle Bill, although I'm happy to take some questions on the others.

And also, to remind you that the Department also has a Bill on electronics recycling, and we'd like that also, at some point in time, to be considered, but we think that the, it is also a producer-responsibility model and it is fairly bare bones, but it gives an opportunity for further discussion.

On the Bottle Bill, first of all, I want to also thank the Green Team for being here because I think they are the reason why you want to consider a Bottle Bill.

SB1289

002658

16
kcvc

ENVIRONMENT

February 28, 2007

particularly for water bottles. It clearly does.

REP. CHAPIN: So DEP's position is that they support expansion to include water bottles, but not beyond that?

COMM. GINA MCCARTHY: No. That isn't, I'm sorry, Representative. That isn't my position. My position is that, that we should be moving towards expansion of the Bottle Bill to water bottles and other like containers.

Certainly not dairy products, but our proposal would be that, that all of that, at least should be considered by the Legislature because the infrastructure's in place. And to me, as an environmentalist, it is indistinguishable what liquid you put in it.

REP. CHAPIN: Thank you very much, Commissioner. Thank you, Mr. Chairman.

REP. ROY: Representative Miller.

REP. MILLER: Thank you, Mr. Chairman. Good morning, Commissioner.

COMM. GINA MCCARTHY: Good morning.

REP. MILLER: A little story, if I might. First job out of high school was to work for the best recycling company in America. It was a junk dealer. Probably, a lot of your parents thought of these companies as junk dealers.

HB 7249
SB 1225

002659

17
kcvc

ENVIRONMENT

February 28, 2007

But they were actually scrap iron and metal dealers. At one time I had a knowledge of materials that, I was like a metal, metallurgist, but without a degree. They could recycle just about anything.

So I'm very aware of what can happen when you recycle. Representative Megna and Representative Perone both drive this Prius.

Now a lot of that material came from the United States, and particularly from the Connecticut region because all the iron that's collected around here is exported to Japan, and then they send it back to us as a car, and a very good one.

So, I know the importance of recycling. I know that it's important that we start recycling these plastic bottles. They're all over our highways. A lot of people just don't give a darn anymore.

They just throw them out the window and, just like Senator Finch, I have to go in my neighborhood and pick them up in the morning, especially on collection day.

And electronic waste is something that we neglected for a great many years and there's a lot of material in that electronic waste that can be recycled to provide, to establish an economy, really, in that particular area there.

There are companies that are doing it, and I don't think we're doing enough. So I think

002660

18
kcvc

ENVIRONMENT

February 28, 2007

these two bills, I'll probably will support with some changes, if I can make them.

But I wholeheartedly support both bills and think that it's a day that we've got to start thinking about the environment, what we're doing to our state and how we can help our state, and these two bills will probably do both.

It will help the economy and also help stop pollution in our great state. So, I thank you for your support of these bills. Thank you.

COMM. GINA MCCARTHY: Thank you.

REP. ROY: Thank you. Senator Meyer.

SEN. MEYER: Commissioner, thank you for your leadership.

COMM. GINA MCCARTHY: Thank you.

SEN. MEYER: It's very meaningful to have you on board on this, on this bill.

COMM. GINA MCCARTHY: Thank you.

SEN. MEYER: The second to last paragraph of your written statement says that there are issues that need to be addressed. I wondered if you, if this was an appropriate time for you to mention those issues as we modify or make amendments to this bill.

SB1289

COMM. GINA MCCARTHY: Now people will know how much I used my prepared remarks. I'm finding them.

002703

61
kcvc

ENVIRONMENT

February 28, 2007

cheaper, believe it or not, than the plastic bags.

REP. GREENE: Yeah. It sounds like it. I'm glad to see you're doing that, and thank you very much for coming up and testifying.

MIKE ZEMBRUSKI: Thank you.

REP. ROY: Any other questions or comments? Mike, thank you. I don't envy you coming up after that group from Farmington, I'll tell you. Tough act to follow. State Representative Patricia Widlitz.

REP. WIDLITZ: Good morning. I want you to know that I have a team, too, and you'll hear from all of them throughout the day.

For the record, my name is State Representative Pat Widlitz. I represent the 98th District, the Towns of Guilford and Branford, and I'm here today with testimony in support of Raised House Bill 7249, and also Proposed House Bill 5453, which is very similar, both dealing with the collection and recycling of electronic waste.

I appreciate the opportunity to testify today. According to the EPA, televisions and older computer, computer monitors, each contain between four to eight pounds of lead, among other toxic materials.

The newer flat screen monitors contain mercury, which is a neurotoxin when released into the environment. The EPA has called electronic

002704

62
kcvc

ENVIRONMENT

February 28, 2007

waste the nation's fastest growing category of solid waste.

In the absence of federal policy to regulate its disposal, states have taken the leadership in addressing a solution.

The two bills, Raised House Bill 7249 and Proposed House Bill 5453, are the result of a 14-month intensive process led by the Council of State Governments and the Northeast Recycling Council, working with representatives of ten northeastern states, the U.S. Virgin Islands, Puerto Rico and Quebec.

Stakeholders from all affected entities, including manufacturers, retailers, recyclers, citizen organizations and others were actively involved in this process and Representative Roy, a representative from Senator Duff's office, and I met with CSG members and these stakeholders at an all-day meeting in New York City in April of 2005 to try to work out a regional approach to the e-waste issue.

Our goal was to reach consensus on a plan that was uniform throughout our region to avoid a patchwork of state policies that would be really difficult for manufacturers to deal with, and also to provide the framework for a national model, as well.

Our deliberations centered around two approaches to the issue. The first was a manufacturer responsibility model and the second, an advanced recycling fee, which we refer to as an ARF model.

The manufacturer responsibility approach essentially requires the manufacturers of the covered electronics to cover the cost of collecting and recycling their products, or to set up their own take-back system.

The ARF approach is to charge a fee to the consumer at the point of sale, and that goes into a fund administered by the state to assist municipalities with the cost of collection and recycling.

The CSG group concluded that the manufacturer responsibility method was more pro-active and engaging the manufacturers to be responsible for the end of life of their products and would also provide an incentive for designing products that are less toxic and lend themselves to recycling.

The ARF approach is an additional cost to the consumer. It creates a burden on the retailers establishes a complicated government bureaucracy for collection and distribution of funds and leaves the manufacturers free of any responsibility for the end of life of their products.

And, as we know in Connecticut, all of these dedicated funds don't always hold true. They can be raided, as we have seen with the Connecticut, with the conservation land management fund.

I think the important thing in moving forward and formulating a policy for Connecticut, the

002706

64
kcvc

ENVIRONMENT

February 28, 2007

Environment Committee must first decide which approach best meets our needs and ensures that e-waste is properly recycled or disposed of in a way that avoids a significant threat to public health and the environment.

The European Union already has laws in place that restrict the use of hazardous materials in computers and bans hazardous waste exports.

States such as Maine, Maryland and Washington have already passed shared responsibility legislation and similar initiatives are being discussed in states, several states.

In concluding, I firmly believe that the manufacturers should share the responsibility for the end of useful life of their products and I encourage the Committee to support this approach.

Forgive me for our last statement, but our bark's up the wrong tree, and I've included for you a document from CSG that just outlines the key elements of their model bill.

I know that you're having a forum next week and Ron Kuhn from CSG, I understand, will be here and we can get more into, in depth into the details. But I think first we need to decide which approach we're taking. So with that, I'll answer any questions. Thank you.

REP. ROY: Thank you. Senator Meyer.

SEN. MEYER: Thanks, Pat, for your good initiative. I noticed this morning in Commissioner

002707

65
kcvc

ENVIRONMENT

February 28, 2007

McCarthy's statement that she also believes that ARF is going up, barking up the wrong tree.

REP. WIDLITZ: Yes.

SEN. MEYER: And, in fact, she says that her very words are, whether by extending the useful life of electronic products, minimizing the use of toxic components or improving the ability of the products to be easily recycled, producer responsibility, which is your Bill, creates the proper nexus between product supply and environmental protection.

So I think that's, that's a very helpful statement that she made in support of the producer responsibility concept.

REP. WIDLITZ: Yes, thank you, Senator. And, also, the DEP has proposed a Bill that is of a similar structure.

SEN. MEYER: Thank you. Thank you, Mr. Chairman.

REP. ROY: Any other questions or comments from Members of the Committee? Representative Widlitz, thank you very much.

REP. WIDLITZ: Thank you.

REP. ROY: And that ends our officials' list. Our next speaker will be Paul Anderson, followed by Emily Hron Weigle. Paul Anderson? Is Emily here? Oh, we're moving right along. Lyska Benitez? Oops, excuse me. We've got Emily right behind you. You'll be next.

JOINT
STANDING
COMMITTEE
HEARINGS

ENVIRONMENT

PART 9
2739-3069

2007

002740

98
kcvc

ENVIRONMENT

February 28, 2007

I'm here today with Laura Bishop from Best Buy, and we are here, Best Buy is a member company of the Retail Merchants Association. We're here to testify on a number of your, of the bills before you today.

Let me first give a general overview, and then Laura, who is, not only an expert within her company, but has followed this issue in surrounding states and throughout the country and can give you firsthand knowledge of, of the issue on both sides, as well as perhaps a little bit more knowledge of what's taking place in those states.

SEN. FINCH: Just to clarify. You guys are here on the electronics--

TIM PHELAN: Yes. We are here--

SEN. FINCH: --recycling. You're the first person to talk about this Bill, so I want to get everybody's attention on the Committee. Thank you.

TIM PHELAN: We are here to talk about Raised House Bill 7249, Raised Senate Bill 1225, but just let me add, before we do that, on Raised Senate Bill 1289, our friends at the Connecticut Food Association are really taking the lead on this issue, but we do want the Committee to note that our Association is working with them. Again, they're taking the lead, but we also support their efforts in opposing Raised Senate Bill 1289.

002741

99
kcvc

ENVIRONMENT

February 28, 2007

But with respect to Raised Senate Bill, begin with Raised House Bill 7249. CRMA supports this bill. This is the bill that Representative Widlitz had recognized, had testified on earlier.

And very quickly, we think, that we support this bill, quite simply because we think it takes a regional approach to an issue which allows retailers that operate in multi states more predictability and better results.

It encourages manufacturers to continue to build more environmentally friendly products and encourage market forces to take effect.

It also respects the work and the effort that was done by the CSG in examining this issue. I think Representative Widlitz did a fine job testifying as to the efforts that CSG did in drafting this bill, and I'm heartened to hear, Senator Finch, that next week you'll be having your informational hearing and have someone from CSG here to talk about that.

We think that their approach in that effort, and that model legislature, which is represented in Raised House Bill 7249 is the way to go.

For the record, we oppose Raised Senate Bill 1225, which we think is a, the wrong approach, with all due respect to this Committee and its sponsor.

Raised Senate Bill 1225 sets up an advance recovery fee which, for a lot of the reasons

002742

100
kcvc

ENVIRONMENT

February 28, 2007

you may have already heard from us over the years. Just quickly, we think it does not guarantee the recycling goals will be achieved.

It puts an additional administrative burden on retailers and it also, we believe, would have little effect on remote sellers, which to in-state retailers and to brick-and-mortar retailers that make the investment in Connecticut.

It places them at a tremendous disadvantage. I've already allotted my time, and I don't want to cut into Ms. Bishop's time.

LAURA BISHOP: Good afternoon. My name is Laura Bishop and I'm with Best Buy. Senator Finch and Members of the Committee, I'm here today on behalf of Best Buy and our nearly 1,500 employees and our 10 stores in the State of Connecticut.

We are a specialty retailer of consumer electronics, personal computers, entertainment software, appliances, and we're also a manufacturer of consumer electronics under our private label brands.

We are here looking at this Bill, and these Bills, both as a manufacturer and as a retailer. We support Raised House Bill 7249 that Representative Widlitz has brought forward, and we oppose Raised Senate Bill 1225 from our experience in working in California and operating under that system, and I'd like to talk a little bit about that experience and the fundamental reasons why we oppose an ARF.

002743

101
kcvc

ENVIRONMENT

February 28, 2007

Best Buy is a company, as a retailer and manufacturer, that is committed to environmental responsibility.

We have operated programs for recycling and parking lot events, as well as recycling every day in our stores for cell phones and PDAs and inkjet cartridges, where consumers can come in and drop those smaller items off in our stores.

It's something that fundamentally we think, as both a retailer and manufacturer, are very important items that we can offer to customers.

This is the core of producer responsibility, where manufacturers offer programs to their customers to be able to commit to their customers that they are a responsible manufacturer and that they can incorporate these prices into their products and offer something back to their customers.

An ARF puts the responsibility solely onto the customer and the cost at point of sale goes straight to the customer and it does not go back to the manufacturer in any way.

Any way that you look at this, the customer is going to pay for a recycling system. But it is only when you build it into the cost of recycling that it's going to bring down the cost for the consumer.

And this is why we fundamentally think that by offering programs, and many manufacturers also offer programs, and look at producer

002744

102
kcvc

ENVIRONMENT

February 28, 2007

responsibility as a fundamental way of doing business.

And we think that this is the way, that it is a responsible way of doing this and ultimately will be the way that it can, through market forces, can offer the best option for consumers and the best, and most responsible option for consumers, and the most cost effective option for consumers.

We applaud your Committee's efforts to examine this issue. We want to help you pass a bill this year. We think it's very important that you're looking at this issue. We think producer responsibility is, obviously, the way to go.

I want to talk through some of the reasons why advanced recovery fee has been problematic. You will hear from the manufacturers--

SEN. FINCH: Could I interrupt you for a second? Why don't I ask that, in terms of a question, so we could meet our three minutes.

LAURA BISHOP: Absolutely.

SEN. FINCH: Tell me what the problems are with my proposal?

LAURA BISHOP: With your proposal? Okay. And, I have passed out, you should get a letter. You have probably seen something like this that I passed out and it clearly kind of outlines. You'll see the Best Buy tag at the top.

002745

103
kcvc

ENVIRONMENT

February 28, 2007

It clearly outlines some of the ARF problematic pieces. The Committee should have gotten it. And then on the back, the reasons we support manufacturer responsibility.

Also included in a package should be a copy of the Council of State Government resolution, as well.

The first reason that Best Buy opposes the advanced recovery fee is, really, it further complicates an already unfair tax system for retailers.

So, this, this is one real fundamental reason. Not only can't you compel the collection of this fee on out-of-state retailers because of the Quill decision which says online retailers cannot be compelled to collect sales tax and cannot be compelled to collect this extra fee.

You have placed brick-and-mortar retailers, like a Best Buy, who are collecting sales tax and would be collecting this fee, at a disadvantage.

But you're also putting extreme disadvantage on states, like Connecticut eventually, that I believe will try to be in compliance with streamlined sales tax, and try to pass a streamlined sales tax initiative where you will want to make that compelling decision to have, to pass a law in the State of Connecticut, that says we are going to get that sales tax revenue from online sellers.

002746

104
kcvc

ENVIRONMENT

February 28, 2007

When you place another tax at point of sale, you are making that ability a lot more difficult to be able to collect those fees and you're compounding that factor of difficulty.

The federal government has said, simplify your sales tax systems, states, and then we will pass a streamlined sales tax bill that says you are compelled and you can collect the taxes from those online sellers.

And right now you add another layer of complexity, and you're making it more difficult. That is one of the reasons.

The second reason, you are just placing us retailers, like Best Buy, at a highly competitive disadvantage. You will hear from the manufacturers, it isn't a problem. They're collecting this tax from retailers in California.

SEN. FINCH: The tax. By the tax, you mean the advanced recovery fee?

LAURA BISHOP: The advanced recovery fee.

SEN. FINCH: Okay. It's not a tax, is it?

LAURA BISHOP: Yeah. It is a tax.

SEN. FINCH: It's a tax?

LAURA BISHOP: I believe it's a tax--

SEN. FINCH: And their Finance Committee approved it as a tax, the State of California?

002747

105
kcvc

ENVIRONMENT

February 28, 2007

LAURA BISHOP: --the Board of Equalization has ruled in California, has ruled that it cannot collect this fee from online sellers in California.

SEN. FINCH: But it's an advance recovery fee that we're talking about, just to be fair.

LAURA BISHOP: It's an advanced recovery fee.

SEN. FINCH: Okay. I just was confused, that's all.

LAURA BISHOP: Okay. I'm sorry. Senator Finch, if you would like to call it a fee, you can call it a fee. We at Best Buy call it a tax. And, we believe that a fee on consumers at point of sale is the same as a tax.

And I believe that you will hear from, you will hear from manufacturers that they're collecting the fees from remote sellers. And, I believe in California that they are collecting fees from remote sellers.

However, we don't have any way to tell how much of those fees are collected from remote sellers, how many remote sellers and it's very hard for me to go back to my company and say, yes, they're collecting some, but not all. It still places us at a very competitive disadvantage.

SEN. FINCH: Thank you. I'm not going to ask a lot of questions of all the parties in this, because we do have, I think, two fine proposals are out there.

002748

106
kcvc

ENVIRONMENT

February 28, 2007

LAURA BISHOP: I know.

SEN. FINCH: Both are trying to recycle computers and get electronics out of the waste stream. The one question that I'd like everybody, if they could, is just give us your best guess, under both proposals, what percentage of electronics, as described under the bill, under the two approaches, would be collect in Connecticut?

What your best guess is under an advanced recovery fee, based on your experience in California and Maryland and the other states where there's differing points of views, and what we would get under a producer, or shared responsibility?

I think this Committee is going to take everything into consideration, but I think our charge is primarily trying to recycle and manage the waste stream, in terms of this issue.

If you could just tell us what you think under the two would be the percentages you think we could get.

LAURA BISHOP: Senator Finch, thank you. I can't answer that question, unfortunately. And I do think that part of it is going to be in how you market to your constituents and consumers.

SEN. FINCH: All things being equal, the two approaches, does one recycle more than the other and, if so, by how much? Just roughly.

002749

107
kcvc

ENVIRONMENT

February 28, 2007

And that may not be the only thing we consider, but I think we need to get that on the record from everybody on both sides, what they think the dueling proposals could do.

LAURA BISHOP: Right. An, I can't answer, I can't answer that question outright, and I would, I appreciate that, and I can look into that.

I think the other part to look at is not right out front how much you, the goal of how much you take out of the waste stream right away. I think it's in the long term, how much you, over time, take the recyclability of products.

So the goal should be to make and create a greener product and a more recyclable product. So when you're looking at products, and I think the producer responsibility approach does this. When you're looking at products, you want to encourage a greener and more recyclable product.

And that's part of this goal, and I think you heard that from the Department today. So, this is one of the reasons why the producer responsibility bill looks at that.

So what is a more sustainable program over time? So that should be a consideration, as well. I can look into the rates and the other pieces, as well.

And you're right. These programs both need to have a goal and be successful programs. And, I agree with that. Our goal, too, is to create something that is a good recycling program, and

002750

108
kcvc

ENVIRONMENT

February 28, 2007

I commend this Committee to look at things that are good, responsible programs.

We want something good for Connecticut, as well. We want to do that. That's why we've been invested in looking at this model bills and the CSG model bill.

We think that this is a good bill and we think that a regional approach, and looking at this in the neighboring states, is the best model, too. Thank you.

SEN. FINCH: Thank you. Tim, do you want to take--

TIM PHELAN: I don't, nice, nice try, but I don't--

SEN. FINCH: You're a very smart lobbyist. I know that you've got an idea.

TIM PHELAN: No. No, I think that the issue for us is not, and we respect the Environment Committee's position as your goal is how much can you recycle.

And I think for us, the issue is, is how does this work overall, in all parts of our business. How does it allow us to compete? How does it allow us to operate in, within a region? And I think the Committee ought to consider that as well.

In addition to your first priority, which is, how much do we get out of the waste stream? How much do we recycle?

And I think that, you know, a good way for you, another way to ask that same question is ask the other states that have adopted e-waste legislation, the most recent ones being Maryland, Maine and Washington, that have done producer responsibility approaches, and see if they asked that question, and my guess is that they would say, on balance, what's the best way to do this.

I think one of the points that Laura made, which I think bears repeating, especially to this Committee. Retailers support efforts to recycle electronic devices. What we're, Senator Finch, you and I and others may disagree, is the method on how we go about doing that.

We think that the CSG model, that they took an extended period of time to review, to look at all sides of the argument, and came up with their model legislation. We think that's the best approach. So.

SEN. FINCH: Thank you. Are there any Members of the Committee who would like to ask a question? Thank you very much for our testimony. Appreciate it.

TIM PHELAN: Okay. Thank you.

LAURA BISHOP: Thank you.

SEN. FINCH: Thank you for traveling here. Our next speaker is David Thompson, to be followed by Rick Odheim, and Tim Dabinex. David, welcome.

002762

120
kcvc

ENVIRONMENT

February 28, 2007

monitors, and they tend to be bigger, bulkier and heavier products. So when we do collect them, we have to cost out, however it's paid for, moving them around, and then processing them.

The displays, in particular, if you look at the value of the material that you can recover, whether it's glass, plastic or metals, that value is not enough to cover the cost of the labor to disassemble it and the transportation to ship to reclaimers.

So, there is a net cost that is being billed by recyclers on a per-pound basis. Hence, our focus on weight, I think.

REP. ROY: Thank you.

SEN. FINCH: Your six pounds versus two pounds was per person in the state?

DAVID THOMPSON: Yes.

SEN. FINCH: Okay. Any further questions. Thank you very much, David. Our next speaker is Rick Odheim, to be followed by Tim Davinex.

RICK ERNHEIM: Mr. Chairman and Committee Members, HB 7249 unfortunately, the person who wrote my name in, SB 1225 didn't make it clear. It's Rick Ernheim. I'm Senior Counsel with Phillips Electronics.

Phillips Electronics is one of the world's largest consumer electronics companies, and it is the world's largest lighting company. We do

002763

121
kcvc

ENVIRONMENT

February 28, 2007

support the raised Senate bill and we do oppose the raised House bill.

What I'm going to focus on is the statements that have been made that somehow manufacturers, we have to adopt the Raised House Bill because manufacturers need an incentive to design better products.

And I want to use my company as an example, and we've talked about, Representative Miller, talked about this.

We are, for three of the last four years, we have been number one in the Dow Jones' Sustainability Index in our product category. For the last three years, the World Economic Forum has listed Phillips as one of the 100 most sustainable companies in the world.

We were the first computer monitor company to have a full line of lead-free products. We, in terms of lighting, we have the lowest mercury lamps that, that are manufactured today, and just recently, we announced a further reduction.

We're going to cut our mercury use in half. To give you some idea of what that means. The amount of mercury we'll be reducing would be the amount that would be recovered by recovering 90 million currently made lamps. Ninety million currently made lamps.

And we also recently announced in December, a worldwide effort to try to eliminate the use of incandescent bulbs by 2016, because we think

002764

122
kcvc

ENVIRONMENT

February 28, 2007

that there are energy-saving alternatives that can significantly help address the global warming initiative.

So how did we do this without this incentive that we keep hearing we need to make better products? And the fact is, is that our goal is to do well by doing good.

And in fact, in my testimony, the last page, you'll see a sheet, a page lifted right out of *Business Week*, which had a story about companies trying to do good things and make a profit.

And on that page, you'll see 30 companies highlighted. Three of them are Phillips, Sony and Matsushita, or Panasonic. Three in our industry, out of 30 companies all over the world, *Business Week* highlighted our three, which gives you an idea of the incentive that we feel we have right now.

Now there are manufacturers who do not follow our lead. Quite frankly, our industry right now is being flooded with cheap imports from China, which is having a significant adverse affect on our profitability, our ability to do good things.

Now, those manufacturers, if you go look at their, at their websites, you won't see any sustainable efforts. You won't see any innovative efforts. They are simply selling based on cost.

002765

123
kcvc

ENVIRONMENT

February 28, 2007

So let me conclude with this, Mr. Chairman. Rather than providing an incentive, the Raised House Bill actually provides a disincentive, because it adds costs that we can't pass on, and that our competitors, our Chinese manufacturers who are not designing the products that you want to see, are at a much lower cost and they have an ability to pass it on.

So we're at a complete disadvantage. So, I would think that if your goal is to encourage better design and the sorts of things that we're now doing, that you want to set up an economic system that works with the responsible manufacturers.

The Raised Senate Bill does that, and the Raised House Bill doesn't do that. I should say that we support the Raised Senate Bill with some amendments.

We think the Raised Senate Bill can be strengthened to incorporate more environmental design requirements. I think Representative Miller talked about mercury. We will soon have a zero mercury television set, along with a zero mercury, zero lead television set.

So that's where the industry is going, and we hope you'll work with us, rather than against us, to make the design improvements that we think you'd like to see. Thank you.

REP. ROY: Thank you. These cheap products, even if we were to go with the Raised Senate Bill, would that add to their cost, or would they

002766

124
kcvc

ENVIRONMENT

February 28, 2007

just send it over cheaper and still keep that same cost?

RICK ERNHEIM: Representative. Mr. Chairman, let me put this on a continuum, where here is something that provides a disincentive, to here that provides an incentive.

We want to be over here. We think the Raised House Bill is over here. We think the Raised Senate Bill, right now, is in the middle, neither providing an incentive or disincentive.

We want to move the Raised Senate Bill over in this direction. And so we'd encourage, for example, that the Raised Senate Bill require compliance with the European Ross directives, give procurement advantages to companies that comply with what's called the EP Standard, and I can discuss that and those sorts of things. So we want to move in that direction.

REP. ROY: I appreciate that. Your cost is here. Their cost is here.

RICK ERNHEIM: Right.

REP. ROY: How do we get their cost and your cost to come together? Because that's where you're losing.

RICK ERNHEIM: Right.

REP. ROY: People are buying the cheap material.

002767

125
kcvc

ENVIRONMENT

February 28, 2007

RICK ERNHEIM: Mr. Chairman, I appreciate your sentiment. I think what we need to do is, you know, what's possible.

And, we're not going to be able to, I don't think the State of Connecticut is going to be able to set up an economic structure that benefits only the good guys and doesn't benefit the bad guys.

But what you can do is impose more requirements, any requirements, design requirements that you impose, we'll meet. And, quite frankly, the only way we can survive is by designing better products.

If we don't design better products, if we design the same products that our cheap competitors make, we lose. We can't, we can't out manufacture the Chinese.

In fact, I very much regret to say that my company, you heard Mr. Thompson say, we still have manufacturing, we don't have manufacturing. We've given up. We've lost. We can't out manufacture them.

So, what I think we need to do is increase the environmental design requirements that they would have to meet, which would increase their costs up to our level. In other words, to even the playing field.

Right now, we have an uneven playing field because we're investing in environmental design and these other guys aren't doing that.

002768

126
kcvc

ENVIRONMENT

February 28, 2007

REP. ROY: Thank you. Any other questions or comments? Representative Miner.

REP. MINER: Thank you, Mr. Chairman. As I look at the two bills, each of them are collecting a fee. One is focused on the retailer, the other is focused on the manufacturer. Is that correct?

RICK ERNHEIM: That is--

REP. MINER: There are a number of other differences, but I think that's, so that's where it starts.

RICK ERNHEIM: that's where it starts.

REP. MINER: And your argument is that if the retailer pays the fee, then that will not have a negative effect on manufacturing and design?

RICK ERNHEIM: Well, the retailer doesn't pay the fee. The consumer pays the fee. The retailer just collects the fee.

REP. MINER: In both cases, I would submit to you that the consumer is going to pay the fee.

RICK ERNHEIM: Representative Miner, I would love to be able to tell you that we'll take the manufacturer fee and pass it on. In fact, if that were the case, I wouldn't be sitting here.

We would just pass on the cost. Why would I be here opposing that? And the reality is, is that we can't do that.

002769

127
kcvc

ENVIRONMENT

February 28, 2007

Unfortunately, that's the reality. Right now we have cheap competition that's coming in, putting pressure on prices, and what we have, what I, is more familiarly called the Wal-Mart effect, although I'm not here to bash Wal-Mart, but the major retailer, it's not my intent.

I'm not trying, what I'm trying to say is that the retailers have more power. They are large retailers. We need to get into their stores. We can't survive if we don't get into their stores.

And so, the reality, Representative Miner, is, no, we can't pass on the cost. If we could pass on the cost, I'd be back home in Washington.

And that's, that's the essential problem that we have, is that we think we're the good guys. We think we're doing the sorts of environmental design things that you want, and you're imposing costs on us that we can't pass on.

Now, some people say, well, everyone has the same costs. When I go back to my bosses, they don't really care that Sony is losing as much money as we are. All they care about is whether we can make money or whether we lose money.

So, yes, that is the essential problem. And, I would suggest to you, and I don't mean this with any disrespect to the people who are involved with the CSG, but we provided them economic information about the current status

of the industry, and they've never responded to that.

And I would submit the reason they haven't responded to it, is because they can't respond to it. Because there's no data that would support the assumption that we can just pass on the costs.

REP. MINER: In the House bill, as I read it, is a formula based on weight. Is that how you read it?

RICK ERNHEIM: Yes.

REP. MINER: Do you think you as a manufacturer fare better under that scenario than the cheap competition, or worse, or the same?

RICK ERNHEIM: I'd like to think about that, but my initial reaction is the same.

REP. MINER: So the cheap competition then, isn't a matter of less expensive, heavier components, it's cheaper labor?

RICK ERNHEIM: They have cheaper labor. I'm not, I can't tell you that I've broken down a Chinese import and know exactly what's in it, but I have not heard, and I would, if you want, can go talk to some of our experts, but I have not heard that those products weigh more than our products necessarily.

REP. MINER: And your argument is, to go back to the beginning, the retailer can bear the cost because it will be across the board?

002771

129
kcvc

ENVIRONMENT

February 28, 2007

RICK ERNHEIM: The retailer does not bear the cost.
The consumer bears the cost.

REP. MINER: In terms of presentation of a product,
the consumer, in your model, pays the bill to
the retailer.

RICK ERNHEIM: Right.

REP. MINER: But not in the manufacturer's plan,
because the manufacturer can't pass the cost on
necessarily to the distributor and then to the
retailer?

RICK ERNHEIM: Correct.

REP. MINER: Okay. So the retailer, by virtue of
the fact that the retailer is going to be
assigned a charge for all of these products,
can bear that cost? One retailer isn't
advantaged over the other, I guess that's my
point.

RICK ERNHEIM: No, and in fact, Representative,
again, the testimony that we heard in New
Jersey a couple of weeks ago from the
California Integrated Waste Board, was that
they were not hearing problems from retailers.

I have heard, as you heard today, statements
that there are problems, but we've never seen
any data from that.

And I guess if you, I'm not a retailer, so I
wouldn't necessarily listen to me, but I would,
since you asked the question, I would, with

002772

130
kcvc

ENVIRONMENT

February 28, 2007

your indulgence, read you one paragraph from the 2006 Annual Report of Costco, which is a retailer.

Costco is an excellent company. I've invested in it, which is why I have the annual report, and I've done very well with it. Here's what Costco says.

Quote, certain state laws require that we apply minimum mark-ups to our selling prices for specific goods, such as tobacco products, alcohol beverages and gasoline. And you're, of course, familiar that every state has excise taxes on those products, as well as other products.

While compliance with such laws may cause us to charge somewhat higher prices than we otherwise would charge, other retailers are typically governed by the same restrictions and we believe that compliance with such laws does not have a material adverse effect on our operations.

REP. MINER: Thank you. Thank you, Mr. Chairman.

REP. ROY: Thank you. Representative O'Rourke.

REP. O'ROURKE: Thank you, Mr. Chairman, and, Sir, I didn't catch your name.

RICK ERNHEIM: Rick Ernheim.

REP. O'ROURKE: Mr. Ernheim, I just want to congratulate your company for the work it has done promoting compact fluorescents and energy-

002773

131
kcvc

ENVIRONMENT

February 28, 2007

efficient lighting and for reducing the amount of mercury that you put in those products.

Hearing a lot today about cheap products being produced in China and flooding our markets and I'm sitting here thinking about that, and thinking that I'm going to hear a lot about that during our debate on these Bills in Committee.

Having a hard time thinking of a company that produces these cheap products in China that we hear about, or we buy a lot. I don't think I have any in my home. Can you give me some examples of who these players are?

RICK ERNHEIM: Well, let me give you two examples. I don't know that they're necessarily Chinese companies, but they are examples that may be go to your point.

At the recent Consumer Electronics Show in Las Vegas, right next to the Phillips booth, were two companies. One was Westinghouse and one was Polaroid.

Now, Representative O'Rourke, I think you're younger than I am. Perhaps you don't remember Westinghouse, but at one time, Westinghouse and GE were the two major electrical companies.

In 1996, I believe, Westinghouse sold itself, sold what it had, and took that money and bought CBS and eventually Viacom bought CBS and there's now no longer a Westinghouse.

002774

132
kcvc

ENVIRONMENT

February 28, 2007

But, you can buy a Westinghouse television and what's happened is that someone has bought the name and is selling Westinghouse televisions.

The same, a similar story occurs with Polaroid. Polaroid was a great company when we were growing up. Everyone had a Polaroid camera and Polaroid pictures.

Unfortunately, they ran into significant problems and went bankrupt and Polaroid is now out of existence. But you can buy a Polaroid television. Someone has bought the name Polaroid and is selling Polaroid televisions.

Obviously, they bought those names because they think people would have, people would want to buy those products.

I can tell you I've seen data which shows that the largest TV, the largest, the company that has the largest amount of sales on Amazon.com is a company called Syntax-Brilliant, which sells a TV called Olivia.

So these products are out there. I'm not telling you they're taking over the market, but they are establishing a low price. We can't be 100% over the price of a Westinghouse product. And so they are having a significant effect on the marketplace.

REP. O'ROURKE: I guess as a consumer I did notice the downgrading of quality and price at Westinghouse many years ago, and they seem like a different thing. I just want to follow up on this.

002775

133
kcvc

ENVIRONMENT

February 28, 2007

I'm looking at the list of companies in your coalition here, Canon, Epson, Hitachi, JVC, LG, Mitsubishi, Panasonic, Philips, Pioneer, Sanyo, Sharp, Sony, Thomson, Toshiba. Those are all big, well-known companies.

I've got to imagine that they control the vast majority of the market share of, you know, televisions and major--

RICK ERNHEIM: I would agree.

REP. O'ROURKE: What percentage are these cheap, Chinese companies that are maybe hiding under old brand names or what, but, let's, realistically, what percentage of the market are they--

RICK ERNHEIM: I can't give you an answer right now, but I will try to get you an answer.

REP. O'ROURKE: But is it pretty small? I just want to make sure that we're not overflowing this whole issue of China and these cheap electronics.

RICK ERNHEIM: Well, Representative O'Rourke, I think the issue is not what is their market share. I think the issue is what's their impact on the profitability of the industry.

And if they're, again, in my testimony there's extensive third-party information. Not me saying it, but third, independent third parties, saying that these companies are underselling us by 30, 40%, in the marketplace.

134
kcvc

ENVIRONMENT

February 28, 2007

And so the impact is not so much that they are taking the market share, but they're having an impact on what we can sell the price at.

REP. O'ROURKE: To keep the guys honest.

RICK ERNHEIM: Well, you know, that's one way of looking at it. The other way of looking at it is to say, well, okay--

REP. O'ROURKE: You know what I'm saying.

RICK ERNHEIM: --just, Representative O'Rourke, let me just conclude with this. On page 10 of my testimony, I quote a Merrill-Lynch analysis of our, of our company, Philips Electronics.

We have four businesses, lighting, domestic appliances, medical and consumer electronics. To get an overall estimate of what they think the customer is worth.

And here's what Merrill-Lynch said last July. We value the mainstream consumer electronics business at zero, as we believe that the CE industry is intensively competitive and value creation is challenged.

So what Merrill-Lynch just told you, is that our business, which has roughly \$15 billion in sales, is worthless. That's the marketplace that we face right now. That's the marketplace that we face right now.

So again, I would say the question is not, is not what percentage or share, what impact are

002777

135
kcvc

ENVIRONMENT

February 28, 2007

they having on the price of the products and on profitability.

And I think that Merrill-Lynch analysis that I just raised you, which is not my analysis, it's a Merrill-Lynch analysis, that gives you an idea of the profitability of the industry.

And so when people say, well, you'll just pass on the costs, you know, I'd love to be able to pass on the costs, but it's not going to happen.

REP. O'ROURKE: I understand it's very competitive. As consumers, we appreciate that, that prices are being pushed down all the time and the products get better and better. But let me just ask one other question on another issue that you brought up in your testimony before I let you go.

I was interested to see Philips promoting phasing out the incandescent bulbs and before you go, I just wanted to ask you, why 2016? Seems kind of far off.

RICK ERNHEIM: Let me make clear that what we're saying is that, that would be the complete phase-out. That we would start phasing out, and we're actually working, what we did in December is when we made that announcement, said, here's a goal, and now we're going to work on how to achieve that goal.

So, we're actually working with the environmental community and the energy

advocates are coming up with a plan to achieve that goal.

So at some point, and I'll just tell you an idea we've talked about, you know, at some point a couple years down the road, we might ban incandescents for 100-watt products, or higher, and then a couple of years after that, for 70-watt.

So when we say 2016, we're saying that's the end. We're not saying that's when it starts. And really, what it gets down to, is there are, I think over four billion incandescent sockets in the United States. There's a huge number.

The amount of compact fluorescent lamps sold to consumers in the United States is probably in the order of tens of millions. So there is going to have to be a huge, huge changeover, closing our facilities, opening up of other facilities. This is going to be a monumental effort.

And I think it was our engineers' best judgment that to complete that total transition, it would take that amount. Because not only do we have to, we have to increase the amount of CFLs.

We have to increase, because our plan you'd also use halogens, which are, well, not as efficient as CFLs, are much more efficient than incandescent bulbs.

In fact, they are probably halogen lamps in these ceilings right now. And we have, we will

002779

137
kvcv

ENVIRONMENT

February 28, 2007

have this year a halogen lamp that's 50% more energy efficient than incandescent bulbs.

It's going to take a while to generate the factories, and then you have to time that with consumer acceptance. And it was our engineers' best judgment that 2016 would be the time period to make that fully occur. Could it occur sooner, I mean, I don't have a day-by-day plan to get us to 2016--

REP. O'ROURKE: No, I understand. What I was asking, really, is that it a supply issue, that we have to ramp up the production--

RICK ERNHEIM: Right. And the most important thing, Representative O'Rourke, I know there's a lot of interest in compact fluorescent lamps, but really, where everyone in this industry agrees that we're going, is light emitting diodes.

LED's are much more energy efficient than even compact fluorescent lamps, last a lot longer, and they're just a complete win, and every major lamp company, is focused on increasing developing in LED's.

Right now, LED's are used in all traffic lights. We sold, this year, we started selling LED Christmas lights. There's no reason anymore to have neon signs.

We can do neon signs with LED. In terms of TV's, I mentioned that we would have, in the next few years, would have a mercury-free television.

We have, on our TVs, we have something called ambilight, which is a lighting around the outside of the TV's. Those, the ambilight lights, will all be LEDs this year, and we think we'll have all of the backlighting in LED's in the next few years.

So the LED market is the way everyone's going, whether it's Philips, Sylvania or GE, and we think that's really the gold plate. That's where we want to get to. We want to get to LEDs.

It's going to be, we have to master the technology, which is close to happening, and then we have to figure out how to retrofit all of the, the ceilings and, quite frankly, the structures we now have are not very good for LED's. So we're going to have to retrofit all of that.

But, that's where the industry is going. I know you put in a bill, we want to, we'd be happy to work with you on that.

We are, you know, I think you know we are ahead of the curve on this, but we also have to do it in a way that gets us to where we think we all want to go.

REP. O'ROURKE: Thank you. Mr. Chairman, while you were up, I took the liberty of changing the topic a little bit, so thank you very much. Thanks, Sir.

REP. ROY: I forgive you. Representative Megna.

002781

139

kcvc

ENVIRONMENT

February 28, 2007

REP. MEGNA: I forgive you, too, John. In terms of back to recycling of electronic products, wouldn't your company have a competitive edge if products from China couldn't be sold here, unless they participated in the manufacturer's responsibility?

RICK ERNHEIM: Well, they would.

REP. MEGNA: So what's the competitive advantage?

RICK ERNHEIM: They would all have, they would all play by the same rules. They'd all have the same costs, except their cost structure is much lower than our cost structure, and we can't add the price on because we're being adversely affected by those, by those manufacturers.

Representative, we know, from weight sorts, that TV's last an average of 17 years. So, if we designed a more easily recyclable product, we would get, and did it today, we would see the benefit of that 17 years from now.

We can't afford costs over the next 17 years waiting for those benefits. That's not the way, you know, maybe we'd like to have a different economic system, but that's not the way the economic system works.

There is constant pressure. Anyone who's run a business knows there is constant pressure for profitability all the time. And we can't, an investment that you say will pay off 17 years from now, no one does that.

REP. MEGNA: Okay. Thank you, Mr. Chairman.

002782

140
kcvc

ENVIRONMENT

February 28, 2007

REP. ROY: Thank you. Representative Wright.

REP. WRIGHT: Thank you, Mr. Chairman. In addition to the California model for the ARF system for the electronic waste recycling, the position statement that you have attached to your testimony at page one, indicates that there are currently in use several other ARF-type funding mechanisms for the end of life recycling of other products, such as lead-acid batteries and tires and bottles.

Could you comment, just briefly, on the aptness of those models to the electronic field and with notes on any points of similarity or points of difference that might obtain?

RICK ERNHEIM: Well, Representative, I'm not familiar with the, how those programs have worked in Connecticut and, quite frankly, I think Representative Mushinsky is largely responsible for some of those, so she might have a better idea.

But I think the point of that is, is that the concept that you have a fee that is placed on consumers that's used to pay for recycling is not a novel approach, and it's used in many states, it's used in Connecticut.

REP. WRIGHT: And it could be adapted.

RICK ERNHEIM: Yes.

REP. WRIGHT: Thank you.

002783

141
kcvc

ENVIRONMENT

February 28, 2007

RICK ERNHEIM: And, if I could just go on, I also, where you read that, talked about that it's being used in a number of western Canadian provinces and we always hear a lot about of what's going on in Europe, well, under the European system, recycling, retailers have to take back products, which is, of course, not part of the model that's in the House bill, and that most of the European states that have actually taken action are using what's called a visible fee in Europe, or the equivalent of an advanced recycling fee. So this is not a novel concept that we're, that we're suggesting.

REP. WRIGHT: Thank you very much, and thank you, Mr. Chairman.

REP. ROY: Thank you. Seeing no further questions or comments, thank you, Mr. Ernheim.

RICK ERNHEIM: Thank you, Mr. Chairman.

REP. ROY: Jim Devannex, or Devaneau. I'm not sure which. Followed by Warren Boyle.

TIM DEVANEY: Good afternoon, Chairman Roy, and SB1289 Committee Members. My name is Tim Devaney. It's a Y, not an X, but that's fine.

I have a, an independent supermarket. We have a small regional independent, consisting of six stores at Circle Hartford. It's Highland Park Market.

I'm proud to be here today representing an industry that accepts its responsibility of

002817

175
kcvc

ENVIRONMENT

February 28, 2007

REP. MUSHINSKY: Obviously.

WARREN BOYLE: I'm just saying that whatever number I give you, is really only my number. It won't be the same for any other retailer.

REP. MUSHINSKY: That's good. That would help us if we know what the number is for you. That would be good.

WARREN BOYLE: Okay. I can do that. I'll pass it through the CFA to get it to you.

REP. MUSHINSKY: Thank you, I appreciate it. Thanks, Mr. Chairman.

REP. ROY: Any other questions or comments? Thank you very much.

WARREN BOYLE: Thank you for your time.

REP. ROY: Dennis Brown, followed by Erin Sloat.

DENNIS BROWN: Thank you, Mr. Chairman. Members of the Committee, I am Dennis Brown, Vice President, State Government Relations for the Equipment Leasing and Finance Association, ELFA.

I appreciate this opportunity to testify in opposition to Raised Senate Bill 1225 and in favor of the leasing concepts found in Raised House Bill 7249.

Raised Senate Bill 1225 is based on a California consumer model for wastes from

002818

176
kcvc

ENVIRONMENT

February 28, 2007

households, and it is not designed for the business-to-business equipment lease financing transactions in which our members engage.

Equipment lessors are not retailers and we do not have stores. To resolve the disparities between states, Connecticut participated in a regional committee that voted not to duplicate the California Electronic Waste Recycling Act, upon which Raised Senate Bill 1225 is patterned.

We support producer responsibility, which was endorsed by the regional committee and we collaborated in the lease provisions of that document that you will see reprinted in Raised House Bill 7249.

Drafters of the California program, upon which Raised Senate Bill 1225 is modeled, never considered that equipment lessors do not have physical possession of equipment prior to a lease, making it, at times, impossible to know what equipment is covered.

In California, these decisions are very subjective, and in some cases, we're asked to actually send pictures of the equipment to the California bureaucracy and they look at the picture and get back to us as to whether or not it's covered under the bill.

Raised House Bill 7249 encompasses producer responsibility favored by ELFA. I'll skip to the question that the Chairman asked speakers to address.

177
kcvc

ENVIRONMENT

February 28, 2007

What percentage of the fee to you collect under an advanced recycling, or ARF, or producer responsibility? My answer is that I really see it as the wrong question. I think we should ask, how much do we get to keep?

The California Board of Equalization, which is their Revenue Department, has had to put together a rather innovative bureaucracy to keep track of the fees being collected by equipment lessors and retailers collected the reports and auditing.

You get to avoid all that under Raised House Bill 7249. I would also mention that, I guess it was in December that the North American Electronics Recycling Conference, the head of the program at CAL EPA, said that if it weren't for the fact that they are over three months behind in getting certifications done by the Department, she thought their program might be broke.

So with that, I will thank you for the opportunity to present these comments, and welcome any questions.

SEN. FINCH: Thank you, Dennis. Dennis, you're well traveled all over the country, so we'd certainly appreciate all of your feedback. The question that I really wanted to have answered, and we thank you very much for coming here today.

DENNIS BROWN: Thank you.

002820

178
kcvc

ENVIRONMENT

February 28, 2007

SEN. FINCH: We've had a chance to meet before, and you've got a lot of excellent points. Certainly, you know, the Committee always balances the environment with jobs. Hopefully, we can do things that help both.

In this case, you pointed out that large interests in Connecticut, like GE and Pitney-Bowes, which are great corporate citizens for us in some many ways, might have a negative impact on this, and so, we're paying attention to that.

The question I wanted to ask, though, wasn't so much about the recovery fee, but what percentage of electronics are recycled under the two models.

What I'm really trying to get at, there are things on the Web, you can read from California and the State of California, and you can read it from the State of Maine, Maryland and Washington, the two dueling proposals.

The question I'm really trying to find out is, which approach recycles the most electronics? And, if you could give me an idea of which one you think would recycle the most, and what the percentages are, roughly, of that.

I understand what you're talking about in terms of leasing. I'm just talking about in general, where the systems exist because just as a comment on yours, your industry doesn't seem to be the bigger problem, to me.

002821

179
kcvc

ENVIRONMENT

February 28, 2007

Because, you have large fleets of computers and generally there's an awful lot of liability, both on the lessor and the lessee, to make sure that they don't pollute the environment, otherwise, you're a big target.

So, whether or not that's a problem, I sort of remain unconvinced that that's the problem. I think the problem is the ones we all have out that end up in landfills and end up being incinerated that are in our garage. But do you have any handle on which approach recycles the most?

DENNIS BROWN: I would say, Mr. Chairman, I would say that it may be too early to have a good idea, and as much as California's been up and running for several years, the Washington State bill was just signed last year by the Governor. They're just now getting things going.

So as far as looking at the data, I think it's apples and oranges. As far as which is better conceptually, after you put the money into the fund, there's not as much difference between the two as far as collectors, recyclers, et cetera, the way it would work. As I said, I think the proper question is how much you get to keep.

SEN. FINCH: How much you get to keep in terms of?

DENNIS BROWN: The money that you collect.

SEN. FINCH: That's something we're also interested in. Thank you very much.

002822

180
kcvc

ENVIRONMENT

February 28, 2007

DENNIS BROWN: Thank you.

SEN. FINCH: Any Members of the Committee have any questions for Dennis? Representative Jutila.

REP. JUTILA: Thank you, Mr. Chairman. I'm just trying to understand how you do business a little bit better. You mentioned during your testimony that you never have possession of the equipment at all that you're leasing. Is that right?

DENNIS BROWN: We're simply financing.

REP. JUTILA: You are simply financing. Okay. So, at the end of the lease term, does the lessee end up actually taking title to the equipment? Becomes the owner?

DENNIS BROWN: That is an option in the lease agreement.

REP. JUTILA: Okay. And, how frequently does that happen? I mean, is it 50-50?

DENNIS BROWN: About two-thirds of the time.

REP. JUTILA: About two-thirds of the time they end up taking ownership?

DENNIS BROWN: On a nationwide basis.

REP. JUTILA: At the end of the lease, they end up taking ownership about two-thirds of the time?

DENNIS BROWN: Roughly, yes.

002823

181
kcvc

ENVIRONMENT

February 28, 2007

REP. JUTILA: Okay. Thanks.

SEN. FINCH: Thank you, Representative. Any further questions? Thanks an awful lot, Dennis.

DENNIS BROWN: Thank you, Mr. Chairman.

SEN. FINCH: Thanks for coming. Erin Sloat, to be followed by Tim Flynn and Christine Stetson. Thank you, Erin.

ERIN SLOAT: Thank you, Senator Finch, and Members of the Environmental Committee. My name is Erin Sloat and I am Vice President and an owner of the Crown Supermarket in West Hartford. SB1289

Our store has had a strong presence in the community, having been in business for over 65 years, and is a third generation family business.

The cornerstones of our business are good food and superior customer service. We operate in a very competitive environment on Bishop's Corner in West Hartford, with Wild Oats and Walbaum's Super Food Mart as our neighbors.

To remain competitive, we must be constantly vigilant, ever viewing and changing our product selections and placements within our small, 8,000 square feet, retail space, as compared to many retailers that are at a 100,000 square feet, of which we compete against.

Given that space is at such a premium, we must be concerned with the expansion of the Bottle

002824

182
kcvc

ENVIRONMENT

February 28, 2007

Law to include all liquid beverages less than three quarts in size.

This states, based on the bill proposed today, that all juice containers, all milk containers, all refrigerated products, as well as grocery aisle products for the juices and all liquids, including bottled water, would need to be included in this Bottle Bill.

Our bottle redemption space is pressed for space now, and an expansion would require some serious considerations for how to accommodate an increased volume, as Mr. Devaney gave testimony today regarding TOMRA and their pick-up services.

Right now we do not have a bottle machine because we do not have space to put a bottle machine, regardless of the cost of putting in a bottle machine.

I lease our space and we have many years left on our lease, and we do not see a need to relocate and, I don't think it's reasonable to expect and demand that we go out of business to implement a Bottle Law.

Currently, our store has bins to sort the bottle deposits that are returned to the store. We have six cardboard containers that are provided by the redemption company, that we pay to pick up the recyclables, and they're approximately 6 inches by 12 inches, and the expansion of this Bottle Law will require us to sort, by vendor and by size.

002857

215
kcvc

ENVIRONMENT

February 28, 2007

CARRIE RAND-ANASTASIADES: Well, as you know, we're always open to talking. We've never, ever been opposed to that, no matter what the circumstances.

We may not always agree, but, you know, we can definitely continue the dialog. I just don't know that it will get to the result that, that you're looking for. But we can certainly keep discussing.

REP. MUSHINSKY: Okay. Thank you.

CARRIE RAND-ANASTASIADES: Thank you.

REP. MUSHINSKY: Thanks, Mr. Chairman.

REP. ROY: Thank you. Any other questions or comments from Members of the Committee? Carrie, thank you very much. Jonathan Bilmes, followed by Peter Berdon.

UNIDENTIFIED SPEAKER: He's changed.

KAREN WEEKS: Good afternoon, Senator Finch, Representative Roy, Senator McKinney and Members of the Environment Committee.

SB 1225 HB 7249
SB 1289

My name is Karen Weeks and I'm with the Kowalski Group, and I'm here on behalf of Jonathan Bilmes and the Bristol Resource Recovery Facility Operating Committee and Tunxis Recycling Operating Committee.

These two organizations are made up of 16 towns and cities in Connecticut and they represent

002858

216
kcvc

ENVIRONMENT

February 28, 2007

over 10% of the state's population. They are concerned with the safe, environmental and cost-effective disposal of municipal solid waste and recyclables.

In addition, the Board is comprised of Mayors, Selectmen and Town Managers, and they represent the direct interest of taxpayers, both residential and commercial.

Bristol Resource Recovery Facility Operating Committee and Tunxis Recycling, support all three Bills on today's agenda. They have been supporting comprehensive e-waste since 19, or, rather, since 2003.

Both of the above e-waste proposals, while taking different approaches, will address quickly and cost effectively, the proliferating e-waste environmental problem.

The electronic waste that's generated from obsolete computers is the most rapidly growing waste problem in the world, and is a serious danger to both public health and the environment.

The DEP's recently released Solid Waste Management Plan acknowledges the need to dramatically change the way Connecticut manages its waste stream.

Exports of municipal solid waste from Connecticut are exceeding over 400,000 tons per year. Comprehensive new approaches to recycling and source reduction are needed to keep this export quantity from growing.

002859

217
kvcv

ENVIRONMENT

February 28, 2007

And we encourage you to support these e-waste bills. There are numerous additional facts that are in our written testimony, which has been submitted, for one, electronic waste is growing at three times the rate of other municipal waste and the cost to recycle a ton of consumer electronics in a typical municipal program is on the order of \$200 to \$400 a ton.

They have one suggested change in Section 12, Line 312, to just add the word knowingly, that a person knowingly put an electronic device into the solid waste disposal facility.

And I just want to wrap up and say that, there are a number of points listed in the Executive Director's written testimony in support of expansion of the Bottle Bill.

REP. ROY: Thank you, Karen. Senator Finch.

SEN. FINCH: Thank you. I asked this question to everybody who has weighed in on this issue. What do you think the percentages are that we could recycle under the two approaches? The advanced recovery fee and the manufacturers or shared responsibility approach. Do you have any idea?

KAREN WEEKS: I don't have a figure.

SEN. FINCH: Your mic's not on.

REP. ROY: Microphone.

002860

218
kcvc

ENVIRONMENT

February 28, 2007

KAREN WEEKS: I don't have a figure. We can certainly get back to you. I know Jonathon Bilmes has served as a Stakeholder on the Solid Waste Management Advisory Group, and I know they are in support of the plan and trying to work to meet the recycling goal of it. But we can certainly get back to you. And he is hoping to testify next week at the forum.

SEN. FINCH: Thank you very much.

REP. ROY: Thank you. Any other questions? Comments? Thank you, Karen.

KAREN WEEKS: Thank you.

REP. ROY: Peter Berdon, following by Betty McLaughlin.

PETER BERDON: Good afternoon, Chairman Roy and Chairman Finch. My name is Peter Berdon and I am the Executive Director of the Wine and Spirits Wholesalers of Connecticut.

And, before many of you wonder why I am here to testify in opposition to Raised Senate Bill 1289, let me begin by stating that even though our members, principally, do sell wine and spirits, they also do have, or sell, non-alcoholic products, including water.

Our principal objections to the bill are, quite honestly, two-fold. One is we believe that the expansion of the Bottle Bill will result in higher consumer resale prices as a result of the handling fee, as well as the increased cost

002911

269
kcvc

ENVIRONMENT

February 28, 2007

passed and wanting me to be here and find out more details.

It would reduce air pollution as Betty pointed out earlier with her truck. The reverse vending machines would better crush the containers in small pieces and thereby more in the truck.

The people are making the trip the store anyway for going to the grocery store for shopping so they combine their trips. It will, simply put, give people the incentive to recycle because it's more money in their pocket. Wow, that was a fast three minutes.

Let's see, I think that Michigan's refund at \$.10 per container, their redemption recycling rate is 95% compared to our 70%.

Right now that would be a major increase in recycling and having recycling bins at sporting events and at schools would help in that type of situation as we said earlier why don't you just, and the [inaudible] recycling management plan is in line. This Bottle Bill is in line with it. I'll stop there.

REP. ROY: Thank you, Pamela. Any questions or comments from Members of the Committee? Seeing none, thank you very much. C.J. May followed by Mike Bzdyna.

C.J. MAY: Good afternoon. My name is C.J. May and I am the President of the Connecticut Recycler Coalition. We are a nonprofit organization of waste management professionals everything from

HB 7123, 7249
SB 1225
SB 1289

002912

270
kcvc

ENVIRONMENT

February 28, 2007

informed citizens to folks who work in big and small business who handle one or more aspects of recycling.

I am very pleased that you guys are entertaining the legislation that you are today. It's very important and it's wonderful that you are focusing on these issues and spending so much time on them.

Last year the Connecticut Recycling Coalition would have been happy with any e-waste legislation that you brought forth.

We have done extensive research since last year, really talking to the people throughout Connecticut, Washington and the other states, finding out how their programs are going and talking to other folks.

Since that time we really come down to express our support to Raised House Bill 7249 and also for consideration for a bill not entertained today which is House Bill 7123.

These are shared responsibility bills with a strong extended producer responsibility component. This is very important because it will make sure that the manufacturers are designing for the environment to reduce toxics and increase recyclability.

The Senate Bill 1225 follows the ARF model, which places a tax on electronics at the retail and does not carry some of the virtues of the other programs.

002913

271
kcvc

ENVIRONMENT

February 28, 2007

I know a concern in Senator Finch's hat is which one does the best job in terms of recycling rate. I think the funding model whether it's for EPR does not affect your capture.

That's an important question that you've had, but the detail is not here. The detail is in how the programs are set up other than the funding model.

So we have ask you to consider House Bill 7249 and the yet to be discussed House Bill 7123 as favorable and better for us.

I'd also like to shortly mention your Bottle Bill, Senate Bill 1289. We thoroughly embrace this. This would be a boon for Connecticut's economy.

It would be a boon for the Solid Waste Management Plan and help us achieve our goals. The Senate Bill 1289 does have some great considerations in terms of reason and handling fee for the stores and distributors who would be handling it.

That is very important and I think that you should continue that discussion with the stores and the distributors to make sure that is taken care of.

I think it is important to also consider that that will be not a cost neutral or cost increase, that will be a cost beneficial.

002914

272
kcvc

ENVIRONMENT

February 28, 2007

The point about Noah Sheets is curious to me. I don't think that we will encounter that I think we will actually see some funding for this and as some people said just before the first Bottle Bill didn't ruin the world.

Putting seatbelts in cars despite it being a problem voiced by the auto manufacturers didn't destroy the industry, that's not what is causing their problems.

They were able to continue on and produce safe cars, safer for people and safer for the environment. That is what you're Bottle Bill is going to do for the citizens of Connecticut.

So we thank you for that and I hope that I'll be able to answer any questions that you might have for us.

REP. ROY: Thank you. Any questions or comments from the Committee? Senator Finch.

SEN. FINCH: Did you know whether it's advance recovery fee? It's the same question that I've asked before. For the shared responsibility, do you know what percentage each of those recycles in the states where they are now in existence?

C.J. MAY: It's a very difficult question to answer. California has been running for approximately two years or so and they have a recovery rate that has been voiced by I think some of the folks who spoke today as higher than that in Maine. Maine hasn't been running for so long.

002915

273
kcvc

ENVIRONMENT

February 28, 2007

However, by calculations done by the Connecticut Recyclers Coalition, when you compare apples to apples, actually California had lower per pound pre person recovery rates than the State of Maine.

But I think, although that is a very important question to ask, again I stress that the funding model of whether it's advanced recycling fee, which I do believe is a tax, or it's the extended producer responsibility model, those are funding.

That's not going to affect your capture rate. It's how well you've set up with the municipalities or third-party organization that collects them.

If you have it convenient, if you have it easy for people to do, they will be able to recycle more regardless of whether it's an ARF or and EPR.

SEN. FINCH: Okay, but with the blue boxes and the bottles, that doesn't hold true. We know the blue boxes don't recycle anywhere near what the Bottle Bill does because the Bottle Bill is an advanced recovery fee.

So you're saying with computers and telephones and televisions it's going to not be related to the amount of money that you have as a recovery fee.

It seems to be countered to tires, batteries, bottles, cans, all the things that have advanced recovery fees, its obviously important

002916

274
kcvc

ENVIRONMENT

February 28, 2007

how you charge it and who's responsible for getting the redeemed advanced recovery fee.

C.J. MAY: The blue box programs do a good job of handling the at home recycling waste. The reason that we are happy you are supporting the Bottle Bill and having produce that is because that is going to capture the on the go containers which are so important in our very mobile society.

That is why you need both of those working together. When it comes to the extended producer responsibility model for recycling as opposed to the ARF, you are talking about something that which is generally not thrown out of a car window. I haven't seen it. I mean, it could really happen if you get really tired of your laptop--

SEN. FINCH: I've been attempted a few times.

C.J. MAY: --I've been attempted some times as well. But people generally don't throw those out, that is not handled in the same way. It's not a convenient thing that you are using ten bottles, ten computers a day.

You might be drinking ten bottles of water a day. So having a convenient collection system for cans and bottles is very different than a collection system for computer.

SEN. FINCH: If you could get us the numbers from the different states in terms of how much the recycling and you're interpretation of that

002917

275
kcvc

ENVIRONMENT

February 28, 2007

that would be very helpful to us in making our final decision.

C.J. MAY: We'd love to. We have been gathering that information and we should be able to dig it up.

SEN. FINCH: Thank you.

REP. ROY: Thank you. Any other questions or comments? None. Mr. May, thank you very much. Mike Bzdyna followed by Peg Hall.

MIKE BZDYNA: Good afternoon, Senator Finch. Good afternoon, Representative Roy, other Members of the Committee. My name is Mike Bzdyna and I am the Government Relations Liaison for CRRA, the Connecticut Resources Recovery Authority.

SB 1289, 1225
HB 7249

We would like to comment today on the three bills that are before the Committee. The two E-Waste Bills, and the Bottle Bill Expansion Bill.

As a little bit of background, CRRA has been and continues to be in the forefront of electronic recycling in our state since 1999 when we established our programs. We have collected approximately three million pounds of used electronic devices and expect to continue to do that.

We're doing our part to keep this material out of the waste stream and prevent it from entering our resource recovery facilities.

002918

276
kcvc

ENVIRONMENT

February 28, 2007

Quick comment, some folks have indicated that this material makes its way into landfills, and while that may be true out of state and somewhat in state, there are essentially no landfills left in Connecticut.

Any of the trash so to speak that you put at your curbside goes to a resource recovery facility or is shipped out of state to a landfill. So it would end up in one of those two places.

The collection events that we sponsor are one of the most sought after services that we provide to our citizens and our projects and probably the most calls that we get on a daily basis are when is your next one day collection event going to be. We hope to continue those.

However, those are rather costly and the way those programs are funded, if you will, through the project budgets and they are subsidized through the solid waste tip fee.

In terms of the two different models that each bill proposes CRRA doesn't take a position, if you will on either.

However, we would like to continue to be in the fore front of whatever the General Assembly's move of the process, we'd like to be in the fore front of either of those proposals.

We think we can contribute mightily to whether as an aggregator or whether it is serving through the producer responsibility model or is there is going to an advance recovery fee.

We are already doing this service. We would respectfully request that the project towns get reimbursed for those costs as such.

Secondly, on the expansion of the Bottle Bill, CRRA believes that it is one of the strongest proponents of recycling and believes its good public policy to try and remove and reuse recycle material from the waste stream.

As a result, expansion to the water bottle should result in additional containers being removed.

We must note, however, that adding water bottles to the deposit system will result in a decrease in the plastics we process at our two regional recycling facilities and will result in about a \$200,000 to \$300,000 net loss, if you will at our recycling facilities.

Our resource recovery projects are self-funded. We receive no state funding and therefore must cover our expenditures.

As a result, at the end of the day, CRRA on behalf of the towns uses those funds to recycle other items that are often difficult to recycle and manage, such as electronics waste that would otherwise end up in the solid waste stream.

CRRA also supports the fact that this bill would recapture the unclaimed escheats or bottle deposits and allocate those funds for the towns.

002920

278
kcvc

ENVIRONMENT

February 28, 2007

The DEP has recently released its latest version of the solid waste management plan. It proposed a very aggressive recycling rate in the next 15 years or so, nearly doubling to get to those levels it's going to require a huge investment of public dollars.

CRRA expects to be in the forefront of those efforts as well. But at the end of the day, the towns are going to bear much of that burden and without some sort of long-term stable funding source like the escheat dollars.

While that goal is very allotable, it probably will not be reached and so we support that component of the bill as well. That's it.

REP. ROY: Thanks, Mike. Mike, if the Bottle Bill goes through and you lose those bottles--

MIKE BZDYNA: Yes.

REP. ROY: --one of the things I'm looking at and I've talked to the Commissioner about is recycling plastics three through eight. My town doesn't do. We just do one and two. That would quite possibly fill the void of any water bottles that you don't see come your way.

MIKE BZDYNA: It's something we would certainly consider. I don't think any town, in fact, at this point recycles those plastics three through eight. I'm not an expert in terms as to the whys of that.

002921

279
kcvç

ENVIRONMENT

February 28, 2007

I know two big reasons, are one there's really no market for some of that material right now. And two, in terms of the chemical composition, if you will, of some of those plastics in terms of re-melting those to make other products it's not either easy or possible to remake those into the same kinds of plastics and so. But we would be willing to look at that as we do with other recycling initiatives.

REP. ROY: Thank you. Any other questions or comments? Mike, thank you very much.

MIKE BZDYNA: You're welcome.

REP. ROY: Peg Hall followed by Jessie Stratton.

PEG HALL: Long week. My name is Peg Hall. I am the Solid Waste Manager for the town of Branford. Thank you for the opportunity to submit written testimony on the Bottle Bill, in favor of expanding it. But my three minutes will primarily be dedicated to electronics.

SB 1289
SB 1225 HB 724
HB 7123

I came to Branford as its first recycling coordinator in 1988 and became a Solid Waste Manager in 1992. I am one of the founding members of the Connecticut Recyclers Coalition and active member of the CRC Electronics Working Group.

Branford has been running a permanent electronics recycling drop-off location at our transfer station for over eight years, longer than anyone else in the state.

A year ago many of us would have testified that we wanted electronics recycling legislation, but we would have settled for almost any bill as an improvement on the status quo.

But last fall, CRC embarked on an ambitious program to study the various models in depth, and talked with a variety of stakeholders.

We ourselves are a coalition of parties interested in recycling and feel we are well suited to listen to various stakeholders including our members.

We have had presentations from a manufacturers group, from Washington State, from Maine, and from the council of state governments. We have met with representatives of retailers, financiers and individual manufacturers.

We have talked with representatives of charities, electronics recyclers, environmental groups and with individual towns and regions and the State of California, and with our own DEP. Then we've called most of these people back again and asked even more questions.

Our conclusion is that the issue cannot be made simple. But we solidly support a shared responsibility model with the strong producer responsibility component. And we do not [inaudible] the advanced recycling fees as in the California model.

We feel government's role should be to set the standards and provide oversight but the running, financing and financing decisions

002923

281
kcvc

ENVIRONMENT

February 28, 2007

should be in the hands of business should compete for better efficiencies and have the incentive to create greener products. A fuller description is in our position paper attached to CRC President C.J. May's testimony.

Branford currently recycles 70 to 80 tons of TVs, computers and other electronics each year for a total of nearly 400 tons to date. It's about five pounds per person, an impressive rate by any national comparison. It's 3.1 pounds per person per year of just the TVs and monitors.

California's recycling rate for TVs and monitors unlike what you've heard testified before, all that is covered by their advanced recycling fee was 1.77 pounds per person per year in 2005. That is according to MIT's study that compared the existing programs.

I heard a concern that producer responsibility models would not recycle as much an ARF model. The financing mechanisms and I will elaborate of what C.J. was saying. The financing mechanism is not what will drive the capture rate.

Similarly, basing payment and market share or return share is critical to many stakeholders but we feel it is ultimately not an environmental issue, nor one that will drive the recycling rate up or down.

The keys to recycling more electronics are not to charge an end of life fee when someone to dispose of a product, to make recycling

002924

282
kcvc

ENVIRONMENT

February 28, 2007

locations convenient and with extended hours, to recycle more categories of products, for example, computer CPUs, not just the monitors.

To accept materials from a wide range of sources, such as individuals, charities, schools, etc., and not to allow disposal by any other means such as incineration or land filling.

We do all of that in Branford and there is no education required for nearly 100% capture rate. Staff simply says put that over there, put the TV in the shed. No one has to buy into the program for it to work and it works well.

I've also heard some confusion as if the bottle deposit bill is a kind of advance recycling fee and it's not. I would be happy to discuss this if time permits.

As the concept of producer responsibility sweeps the European Union and Japan and makes increasing headway in the U.S., I strongly encourage the adoption of legislation similar to Raised House Bill 7249 patterned after the CSG Nerg model or DEP House Bill 7123, provided that no large government bureaucracy is created and that stake holders conflicting needs are taken into account to mitigate any unfairness in the final financing mechanism.

The vision statement of the state's haul-aways management plan cannot be achieved by continuing business as usual and expecting government to continue to handle and pay for every increasing amounts of waste.

002925

283
kcvc

ENVIRONMENT

February 28, 2007

All stakeholders must play a part to reduce waste and toxicity and promote recycling. That's my prepared statement. I have several other things if time permits.

REP. ROY: Thank you. I just have one question. Where does the material go after you've collected it?

PEG HALL: I contract with different people over the last eight years. I originally was contracting with what was it then called, I think Global Recycling up in Stoneham, Massachusetts, which then can change to Superior Special Services. I may have the order wrong.

They then turned into Onyx about the time they turned in to Onyx I started with Envirocycle in Pennsylvania, which has now been bought, it merged with Amondi, who is the current company I am currently using and for the last several years.

Amondi is a national company located in Hallstead, Pennsylvania. It's the one that I'm using and then they do asset recovery.

They will sell the computers that are in working order, they will sell the components that are in working order and they will recycle the plastics when they are able to, the metals when they can. The leaded glass is the main thing that we are particularly concerned about.

I have in due diligence on any company that I have worked with generally taking each of those

002926

284
kcvc

ENVIRONMENT

February 28, 2007

products out to three generations of vendors beyond them to make sure of where this stuff is going.

REP. ROY: Okay. Do they pay a fee for your material?

PEG HALL: I pay them about \$20,000 a year.

REP. ROY: \$20,000. And where does that money come from?

PEG HALL: Our general taxes.

REP. ROY: Thank you. Any other questions or comments? Senator Finch.

SEN. FINCH: Peg, what you're doing really is to be commended. I wish all the towns were doing that. We probably wouldn't need this bill if everyone was doing what you are doing.

PEG HALL: My tonnages would probably go down if everybody else was doing it. Because although I know it is coming from Branford residents, it doesn't mean that Aunt Sally didn't say, oh, you can get rid of this, can't you.

SEN. FINCH: Right.

PEG HALL: Yeah.

SEN. FINCH: I think that the observation here that should occur to everybody is we are fighting different versions of how to do it, but no matter which one passes, we're going to be recycling a lot of electronics that are now not

002927

285
kcvc

ENVIRONMENT

February 28, 2007

being recycled. So it's a great debate as compared to the Bottle Bill where we have people that say don't do it at all.

PEG HALL: This is how to do it. We've got to do it.

SEN. FINCH: Right. So I don't want to lose sight of the optimism of the dueling proposals. One thing I want to understand is not only the percentages of, and I really appreciate those numbers because as you, I'm keeping score here.

And other than you and C.J. and David Thompson from the other side no one ever gave a guess at the different percentages.

PEG HALL: And David Thompson I think said four pounds and then when you repeated it back, I think you said six. I would like to see what his testimony actually said. Because I thought he said four.

SEN. FINCH: Right.

PEG HALL: But in any case, that was California was 2005 numbers that I quoted you from the MIT study. California stated in 2004 with a landfill ban and no other legislation. They just said, hi, we're not going to take it here and never mind what else you do with it.

People found themselves paying \$25 per unit to get rid of these things. That's why when two years later the bill came along and said pay us \$6 to \$10 when you buy one, it sounded pretty good to them by then.

002928

286
kcvc

ENVIRONMENT

February 28, 2007

But they have had two years of the new legislation, two years before that of the landfill ban to start to create a program that I would not quite say is mature yet.

I would say Branford's program is mature. We were not doing those numbers in the beginning even though our rules didn't change. I think we've done a good job of clearing out the basements by now. Maybe some of those of our neighbors too.

SEN. FINCH: Sure.

PAT HALL: And Maine, again, is not a mature program. And the other models to compare to, Washington State doesn't start until 2009.

SEN. FINCH: But at least you gave me a good shot at the answer. Most everybody else avoided the answer, so I do appreciate it.

PAT HALL: It's not, that's not what is going to determine it. What you are really interested in is that capturing. Let's get as much stuff as we can.

SEN. FINCH: Right.

PAT HALL: That's not what is going to make the difference. If either one of those could do it. And most people are actually living under whichever one they've got as long as they've got something.

002929

287
kcvc

ENVIRONMENT

February 28, 2007

SEN. FINCH: My question to you, since you already answered my original question. The other question I had for you is I understand your aversion to the ARF, but don't you think the manufacturers are going to pass on the cost of recycling as a part of the product.

PAT HALL: So.

SEN. FINCH: Well, then to say that the ARF is an expense that won't be incurred with manufacturer's responsibility. We're going to pay no matter what.

PEG HALL: The consumer always pays. But we feel that the producer responsibility models have businesses working and competing with other businesses to drive the prices down. That's what businesses out there to try to do.

SEN. FINCH: I understand that. It's a very good point.

PEG HALL: Whereas if you set it up as a government bureaucracy in the State of California, they are running right now with 3.3 staff people at the staff level per million population.

Maine is running with 1.3 people per million population and the high projections for Washington State are 0.6 people per million population.

It's a much smaller bureaucracy when you shift it down. There will be more people in the manufacturing sect that are doing it but that is job creation.

002930

288

kcvc

ENVIRONMENT

February 28, 2007

SEN. FINCH: Well, we are interested in the whole balance of the issue, so that is why we ask which one recycles the most because I think in the bottom line, in the end analysis is what we are most interested in is getting as many electronics out of the waste stream as possible.

PEG HALL: And I think the two competing bills are not the choice there. I think that either one of those could be made to get more stuff. The question is how efficiently can you do it and we feel that the other model is a better model.

SEN. FINCH: Thanks, Peg.

PEG HALL: Okay.

REP. ROY: Representative Chapin.

REP. CHAPIN: Thank you, Mr. Chairman. You said it costs roughly \$20,000 a year--

PEG HALL: The Town of Branford with a population of just under 30,000.

REP. CHAPIN: --and that's to get rid of how many TVs and computer monitors?

PEG HALL: Approximately 75 tons per year.

REP. CHAPIN: Do you know how many pieces that is?

PEG HALL: I have that figure at home, but I don't have that now. We don't deal in pounds and we

002931

289
kcvc

ENVIRONMENT

February 28, 2007

don't deal in units. We're talking volume here, we're dealing in tons.

REP. CHAPIN: I'm just wondering I know with some recycling centers they do take tires, but they charge for those. They take waste oil, they take batteries. Have you contemplated charging per piece?

PEG HALL: No, because we want to get the volume. The no end of life fees is critical. We've decided this a public good issue where it's paid for out of our general taxes and if you choose to take advantage of it or don't we've decided that is something we are paying for.

Our entire system is run that way. Our transfer station is not charged. We are very careful making sure that the Branford residents coming into our transfer station but at that point we are not charging them.

REP. CHAPIN: So you don't charge for anything?

PEG HALL: We don't charge for anything.

REP. CHAPIN: Tires?

PEG HALL: We don't charge for anything, \$5 for a two-year sticker for a resident.

REP. CHAPIN: But you do take tires and batteries and things.

PEG HALL: We take tires, we take batteries. Right, and again, I wasn't asked that question, but

002932

290
kcvc

ENVIRONMENT

February 28, 2007

the batteries is not an advance recovery fee.
That again is a deposit.

You pay \$5 if you bring one back, you get
you're \$5 back. The tire fee that was put in
place at one point sunsetted in the late '90s.
That one is no longer in effect. And none of
that money came back to the towns. That wasn't
used for us to dispose of stuff.

REP. CHAPIN: Thank you very much.

REP. ROY: Representative Urban.

REP. URBAN: Thank you very much, Mr. Chairman.
Just to comment on what you said and I
certainly like your enthusiasm to your program,
it's excellent.

If we do the methodology that you suggested, I
agree with you that this actually being able to
recycle materials and reutilize them becomes a
competitive advantage and you will drive the
market that way.

Having the government act as a referee rather
than somebody that's in essence driving that
process can really help the market move in that
direction. If we are consistent in the way
that we apply this, the market will move that
way. So I thank you.

PEG HALL: Right.

REP URBAN: Thank you.

002933

291
kcvc

ENVIRONMENT

February 28, 2007

PEG HALL: Thank you. An advance recovery fee will collect the money and handle disposal. Handling disposal is the minds that we've got to get out of if we are ever going to achieve the vision plan of the state's haul-away management plan, which is let's make less stuff.

REP. URBAN: You're absolutely right. Thank you, Mr. Chairman.

REP. ROY: Thank you. Any other questions or comments?

PEG HALL: If I could just mention for the record that I also submitted testimony on behalf of the City of Middletown carried that in for her when she was unable to attend.

And also the Town of Mansfield has also submitted testimony both in favor of expansion of the Bottle Bill and in favor or producer responsibility for electronics recycling.

REP. ROY: Thank you. Jessie Stratton followed by Winston Averill.

JESSIE STRATTON: Good afternoon, Senator Finch, SB1289 Representative Roy and Representative Chapin and other longstanding Members of the Committee who are still here.

It is indeed my pleasure to be here today. My name is Jessie Stratton and I am speaking on behalf of the Connecticut Sierra Club.

002936

294
kcvc

ENVIRONMENT

February 28, 2007

barcode, Coke and Pepsi, you know then deal with the RVM owners in terms of settling up the accounts, the grocers do not do that. But I would be happy to answer any question.

REP. ROY: Thank you, Jessie. Any questions or comments from the Committee? Well, thank you. You did a good job. Winston Averill followed by Cordalie Benoit.

WINSTON AVERILL: Chairman, Members of the Committee, I thank you. I will try to be brief because a lot of the things that I will discuss have been touched on by previous speakers.

I am here to support both Senate Bill 1289, Expansion of the Bottle Bill as well as House Bill 7249, which is for the electronics recycling.

I am the Regional Recycling Coordinator for Southeast Connecticut. I work at a [inaudible] in Groton and I have been in this business in Connecticut since 1989. I've seen a lot of changes.

I'd like to see the deposit increase to \$.10. I think that will set an increased economic signal and will result in recovery of a significantly additional containers.

I think that a lot of the containers now are not going to, the bottles that would be affected are not going into the blue bins. And I say that anecdotally because my office is out of Murph and I don't see a lot of water bottles in the PET plastics that are separated.

002937

295
kcvc

ENVIRONMENT

February 28, 2007

I haven't done a specific study, but I do see unfortunately a significant amount of two liter bottles and some of those, perhaps many of those are deposit bottles, because one of the problems is the \$.05 has remained static for quite some time.

One of things that has come out on our industry, in the recycling industry is that the, and this has been mentioned. There is a lack of scrap PET for consumption by a domestic industry. Not based in Connecticut, but in the United States.

This kind of legislation will increase a supply of scrap PET available for them and also for our export. We've talked about the solid waster plan. If we are going to meet those aggressive goals, I think the Expansion of the Bottle Bill will assist with that.

It was mentioned earlier that in my testimony that the majority of water bottles sold, just water bottles are from the existing distributors.

I got that figure from TOMRA the company that produces the containers for the reverse vending machines. They had looked at that last year when there was a bill to expand the deposit legislation just to water bottles.

The other piece of what I wanted to speak to, oh I thought I was going quicker than that is the electronics House Bill 7249. In southeastern Connecticut, all of the towns in

002938

296
kcvc

ENVIRONMENT

February 28, 2007

my region have electronics recycling incorporated into the transfer station.

That's 11 transfer stations to one town per transfer station, so all of them now do all electronics, TVs, computer, monitors, stereo, the whole nine yards.

I feel from my region and as well for Connecticut that the best system to overlay on my cart municipal operations would be a producer responsibility bill.

I think that the capture rate would be higher because if you look at Maine's, for example, which is new, the preclusion of manufacturers from selling in the state absent a recycling plan and setting up recycling plan will enhance the capture rate.

The best of course to enhance the capture rate would be to simply have a disposal bin which is what [inaudible] chooses us so you force the issue without attending to any of the costs and so on.

I think that a producer responsibility bill which allows the private sector to affect the greatest efficiencies however they want to set it up, which is what the main bill does and Washington does. With a future disposal bin at some future date once the infrastructure is set up.

I think would work very well to capture the electronics that are out there. We are trying

002939

297
kvcv

ENVIRONMENT

February 28, 2007

to keep them out of resource recovery facilities and the bulky waste.

My region this year with the implantation over a period of months of facilities as each transfer station were unto to do in 2007 will probably do 350 to 400 tons of scrap electronics and we also use the same company in Pennsylvania that Branford does.

REP. ROY: Okay. Who pays for that?

WINSTON AVERILL: In our program the resource recovery, Southeastern Connecticut Regional Resource Recovery, the authority who owns the plastic waste facility. We pay for that as a service to our towns.

So the incentive to the towns is they have no cost. They can move the materials into a free venue. So that is another incentive for those communities. It's invisible to them.

REP. ROY: Where do you get your money?

WINSTON AVERILL: Well, in a sense you could say that the money that comes into the Resource Recovery Facility comes mainly from tip fees.

But also the Resource Recovery Facilities electric contract, the electric rates, the way that it has been structured, we are running into surplus revenues at that facility and we have taken some of those revenues from our power generation and turned those back into services for our towns one of them being to cover electronics recycling.

002940

298

kcvc.

ENVIRONMENT

February 28, 2007

REP. ROY: Okay. Now in the Massachusetts program, there is no disposal so they can't just throw it out.

WINSTON AVERILL: Right.

REP. ROY: Where is it collected and how do they pay for it?

WINSTON AVERILL: In Massachusetts, the disposal bin was just on CRTs, computer monitors, televisions and they did put up some seed money for the different municipalities to try and gear up for that disposal, but my understanding now is the individual municipalities or regions have to assume that disposal costs to make what ever arrangements they make.

REP. ROY: So it is more of a mandate on the towns?

WINSTON AVERILL: It's a, yes.

REP. ROY: Okay. Thank you. Any other questions or comments from Members of the Committee? Seeing none, thank you very much. Cordalie Benoit followed by James Hogan.

CORDALIE BENOIT: I am Cordalie Benoit and I'm here as a private citizen. I'll give you three reasons why you should expand the Bottle Bill.

SB 1289

As some of you realize, an expanded Bottle Bill will help reduce litter. The New Haven land trust has 50 community gardens throughout New Haven. As Director of their program which

002942

300
kvcv

ENVIRONMENT

February 28, 2007

REP. ROY: Thank you. Any questions or comments from Members of the Committee? Thank you very much.

CORDALIE BENOIT: Thank you.

REP. ROY: James Hogan followed by Denise Ancheff.

JAMES HOGAN: Good afternoon. My name is James Hogan. I'm the Director of Government Affairs for We Recycle, Inc. We are an electronics waste and universal waste recycling firm located in Meriden, Connecticut.

HB 7249, SB 1125

We have been in recycling electronics there for four years now and we have fifty employees and continue to grow.

We serve various governmental agencies, the business community and a wide range of institutions in the Northeast and occasionally beyond.

We are actively involved in the State of Maine electronics recycling program, having been selected by Maine to be one of the seven approved consolidators conducting collection and recycling events in that state.

We Recycle Incorporated fully support the adoption of recycling laws for electronic waste, given the millions of pounds of reusable material that is now being wasted by a disposal in resource recovery facilities.

By our process we know that 98% of the materials in the electronics can be recycled.

002943

301
kcvc

ENVIRONMENT

February 28, 2007

At our facility in Meriden each component is segregated and then marketed to various recycling firms that will reuse those various recyclables to make new products.

Adoption of electronic recycling legislation is in keeping with the recently adopted Connecticut solid waste management plan. To our mind, that is good planning. For the average household have 26 electronic devices. All of which are recyclable.

We can tell you from our experience with the State of Maine's program that statewide legislation will substantially enhance recycling of this class of waste. It will create new jobs, boost recycling rates, and protect the environment.

Additionally, we have found that the State of Maine's method work satisfactorily from a logistics and operational perspective.

One very important aspect of establishing a program is to be sure that the electronics are properly recycled and in an environmentally sound way.

There are firms that call themselves electronics recycling firms and they are simply electronics shippers. They collect the electronics in overseas containers and simply ship the load as is to third world countries where archaic methods of dismantling the electronics lead to pollution of the environment.

002944

302
kcvc

ENVIRONMENT

February 28, 2007

Open burn pits are used to burn insulation, [inaudible] of copper wires, and components having no value are simply dumped indiscriminately.

Preferably, preferable to this method would be responsible domestic recycling that improves our infrastructure, provides jobs locally, educates the community, and ultimately protects the environment. Whatever legislation Connecticut adopts there should be safeguards for the environment built in.

We Recycle applauds the initiative of our legislators in holding these hearings, a good first step in further protection of our environment. Thank you very much.

REP. ROY: Thank you. Any questions or comments from Members of the Committee? James, thank you very much. Denise Ancheff followed by Cheryl Dunsen. Your name is Denise?

JOHN ANCHEFF: No, I'm speaking on behalf of my wife and myself to save time. How's that? Good afternoon, Senator Finch, Representative Roy, and the rest of the Environmental Committee.

SB 1289

My name is John Ancheff. My wife and I own and operate DJ's Redemption Center in Waterbury. We strongly support the increase in the Bottle Bill for many different reasons.

One is a financial responsibility. When we first opened the redemption center in 2005 we were getting a box fee for our beer boxes. The

Testimony by Greenwich Recycling Advisory Board
at
CGA Environment Committee Public Hearing
on
February 28, 2007

The Greenwich Recycling Advisory Board (GRAB), a volunteer group, works in partnership with the Department of Public Works (DPW), to educate the community about recycling and to encourage and implement recycling initiatives.

GRAB has previously supported proposals to expand the Bottle Bill and is most encouraged by the provisions of SB 1289.

Expansion of the redemption program to include water and other non-carbonated, non-alcoholic beverage containers is long overdue. When the current Bottle Bill was enacted 27 years ago, no-one could possibly have envisaged the proliferation of bottled water and myriad soft drinks that would flood the market.

Curbside recycling was not intended to replace deposit legislation. Many beverages are consumed away from home and, with no deposit incentive, these bottles are often trashed or become litter, particularly where no municipal recycling bins exist. Also, not all Connecticut communities offer curbside programs.

The current Bottle Bill has proven extremely effective in the reduction of litter and recovery of recyclable material. The present redemption recycling rate is between 65-70% (far better than curbside recycling) which would indicate that consumers are interested in redeeming deposits. That any unclaimed deposits from water and non-carbonated beverage containers would be used by the state to fund recycling education is an excellent idea.

The Department of Environmental Protection's aggressive waste management plan, calling for a dramatic increase in recycling by 2024, is going to require measures such as SB 1289 to achieve the goal of 58% recycling rate. GRAB strongly urges the passage of legislation to expand the beverage container redemptions.

* * * *

Regarding the establishment of an **electronics recycling program**, GRAB would like it to be noted that we strongly advocate for a permanent state mandated program. With technology evolving so rapidly, e-waste is becoming an enormous problem, together with the environmental hazards it produces. While we are unable to comment on the two bills presently raised (HB7249 and SB 1225), both producer responsibility and a feasible method of collection would be indicated.

* * * *

Recycling is in need of rejuvenation and the DEP's waste management plan has struck a chord. The establishment of an electronics recycling program and the expansion of the Bottle Bill are two steps on the way to reducing the mountain of waste produced in the state.

Sally Davies, Chair
Greenwich Recycling Advisory Board, Town Hall, 101 Field Point Road, Greenwich, CT 06830

003063

Testimony in Support of:

Raised Bill No. SB 1289 - Expansion of the Beverage Container Redemption Provisions

Raised Bill H.B. No. 7249 - Collection and Recycling of Electronics

by
Winston Averill
Regional Recycling Coordinator
Southeastern Connecticut Regional Resource Recovery Authority
Board Member, Connecticut Recyclers Coalition

Raised Bill No. SB 1289

- 1/ Connecticut's existing deposit legislation has worked very successfully to capture containers with a 5 ¢ return. But the deposit has remained static for decades, and returns into the system have waned as the 5 ¢ economic signal has decreased in relative value. Increasing the return to 10 ¢ will boost an already valued component of Connecticut's recycling efforts.
- 2/ The containers targeted by the expansion envisioned by SB 1289 are largely now going into the waste stream - not into recycling containers and into recycling processing facilities.
- 3/ Domestic manufacturers who depend on scrap PET plastic - the material used in water bottles - have lacked sustainable supplies in large part because this material does not enter curbside recycling efforts and instead ends up as litter or trash.
- 4/ The State's recently adopted Solid Waste Plan incorporates staged, aggressive recycling goals. A critical component is our deposit legislation; the modifications contained in SB 1289 will go a long way toward helping us reach these goals.
- 5/ The vast majority of water bottles are currently supplied by existing distributors - this expansion simply ties into Connecticut's current distribution system.
- 6/ SB 1289 simply adjusts Connecticut's existing deposit legislation to reflect changes in consumer beverage preferences - away from carbonated drinks and into water and juices.

Raised Bill H.B. No. 7249

- A. The Southeastern Connecticut region now has a successful electronics's recycling program for all of our 12 member cities and towns. We believe that the system incorporated into H.B. 7249 provides the least intrusive and best match for our current efforts.
- B. Several states - California, Washington, Maine - have implemented differing systems for recycling electronics. Based on the analysis undertaken by the Connecticut Recyclers Coalition and others, I support the efficiencies and minimized bureaucracy provided by producer responsibility legislation. California's system with an advanced recycling fee encountered significant problems with payments to vendors, out of state electronic waste, and the need for a greatly increased state oversight expenses and personnel.
- C. Both the States of Washington and Maine have successful track records with varying types of producer responsibility legislation.



Key HP Concerns re HB 7249 (Raised): "An Act Concerning the Collection and Recycling of Covered Electronic Devices"

Note: The Sections of HB 7249 that are relevant to each concern are listed in parentheses at the end of each concern.

1. **The Bill's market share system is fundamentally flawed.** The Bill should be based on return share rather than market share. A market share system is flawed because it: (1) bases recycling responsibilities on the weight of CEDs sold by a manufacturer in a given year; but the weight of CEDs sold bears no relationship to the weight of that manufacturer's devices that need to be recycled, i.e., the CEDs collected from consumers for recycling; (2) is unfair to new market entrants by requiring them to pay for CED recycling when their CEDs have not been collected for recycling; (3) depends on data that most manufacturers do not have and have no feasible way to obtain; (4) allows the department to calculate manufacturer sales using prorated national sales data; HP does not know of any public source of national sales data for individual manufacturers; and (5) raises serious consistency and equity concerns. (See §§ 4(b-d) & 5)
2. **The definition of "manufacturer" fails to include all manufacturers that should be subject to the Act, such as historic manufacturers.** Present tense verbs in the definition of manufacturer exclude existing, viable manufacturers who manufactured, resold, or imported or exported CEDs, or who supplied and benefited from the sale of CEDs, even if these manufacturers' CEDs are returned for recycling. In addition, the definition is not consistent with the way CEDs are manufactured in the electronics industry and contains a vague and potentially problematic importer provision. (See §§ 1(8) & 2)
3. **The Bill allows "free riders": only CEDs that have been used by and collected from consumers in the state should be included in the recycling program.** The Bill does not limit CED collection, transportation and recycling obligations to CEDs to have been used by and collected from consumers in the State. As a result, CEDs collected out-of-state (possibly for a fee) can be brought into the state, transferred to a consumer, and recycled for free pursuant to the state recycling program. (See § 5)
4. **The Bill fails to give manufacturers flexibility to design and implement the most effective recycling programs.** The Bill: (1) gives the department unlimited discretion to reject a plan and to impose additional requirements; (2) imposes information requirements on manufacturer plans that are too detailed and burdensome; (3) requires the department to ensure that collection sites do not place limits on the number of CEDs permitted for drop-off by consumers; this limits manufacturers from choosing sites that will best enable them to meet their

003066



recycling obligations; and (4) prohibits manufacturers from charging consumers for collection, transportation, or recycling of CEDs even after they have met their recycling obligations. (See §§ 5(b), 5(a)(3), 8(b), & (7)(b))

5. **The "full compliance" and "compliance" requirements of the Bill are ambiguous and unworkable.** Several provisions of the Bill depend on "full compliance" or "compliance" by manufacturers with the requirements of the Bill. For example, the sales prohibition applies to manufacturers that are not in "full compliance with the requirements" of the Bill, and for a manufacturer to be listed on the department's website it must be "in compliance with the requirements" of the Bill. The state lacks the resources -- both in funds and personnel -- to determine if each manufacturer is in "compliance" or "full compliance" with all statutory obligations on a continuing basis. Moreover, it is unclear whether the Bill intends a difference between the "compliance" and "full compliance" standards. (See §§ 1(15), 2(a) & 2(b))
6. **The enforcement scheme is weak and should be strengthened.** The Bill provides the Commissioner of Environmental Protection with authority to issue cease and desist orders" for violations and to suspend registrations upon a showing of cause after a hearing. In addition, the Attorney General can bring civil proceedings in a superior court to enforce the Act. The Bill fails to establish any civil penalty amounts and fails to establish significant penalties for violating the Bill's fundamental requirements: failing to register with the department, failing to label new CEDs, and failing to implement a manufacturer's recycling program or to pay the department for implementing the manufacturer's recycling obligation. (See § 13)
7. **The per pound collection, transportation, and recycling fee should reasonably approximate market costs.** The Bill does not require the per pound fee to reasonably approximate market costs. If the fee were set at the cap provided in the Bill -- \$0.50/lb -- it would be substantially higher than market costs. (See §§ 4(c) & 6(a))
8. **The department should not be required to establish performance goals, which are necessarily arbitrary.** The Bill requires the department to "prepare a plan every three years that: ¶ (i) establishes per capita collection and recycling goals, and ¶ (ii) identifies any necessary State actions to expand collection opportunities to achieve the per-capita collection and recycling goals." Per-capita performance goals are necessarily arbitrary, could significantly increase the cost of the state's recycling program by adding inefficient and uneconomic collection facilities, and should not be included in the Bill. (See § 9(a))
9. **The disposal ban should not apply to components and subassemblies.** The disposal ban applies to "a covered electronic device or any of the components

003067



or subassemblies thereof." The disposal ban should not apply to components and subassemblies; it is appropriate and necessary to dispose as solid waste some of the non-hazardous residuals from the recycling process. (See § 12)

10. **The penalty for manufacturer shortfalls should be based on the weight of the shortfall.** If a manufacturer fails to collect, transport, and recycle the full amount of its recycling obligation, it must pay (1) the cost of collecting, transporting, and recycling the unmet portion of the obligation, and (2) a penalty equal to the cost of collecting, transporting, and recycling 10% of the manufacturer's total obligation. Thus, a manufacturer with an obligation of 10,000 pounds will pay the same penalty whether its shortfall is 100 pounds or 9,000 pounds. (See § 6(a))
11. **The Bill lacks a provision regarding federal preemption.** The Bill lacks a provision regarding federal preemption. An appropriate provision would provide that the act "shall be deemed repealed if a federal law or a combination of federal laws takes effect that establishes a national program for the collection and recycling of covered electronic devices that substantially meets the intent of this title, including the creation of a financing mechanism for collection, transportation, and recycling of all covered electronic devices from covered entities in the United States."
12. **The Bill lacks a provision for proprietary information.** The Bill does not provide for protection of financial and proprietary information that manufacturers, collectors, transporters, and recyclers submit to the department. Financial, proprietary and similar confidential information should be exempt from public disclosure pursuant to applicable state law.
13. **The Bill has a number of drafting problems and other issues that pose implementation problems.** The Bill has a number of drafting problems that would make the Bill difficult to implement, such as inconsistent use of terms and ambiguous or incomplete statutory requirements. (See, e.g., § 4(d) (requiring the department to provide fee/recycling obligations only to "registrants" [i.e., manufacturers that are in full compliance with the act]; all manufacturers whose CEDs are collected for recycling should be assigned fee/recycling obligations); § 4(c) (failing to state how the department will calculate the State recycling rate for the first program year, when no manufacturer has reported any weight data); §§ 3, 7(b) (using the undefined term "covered electronic product"); § 11(a) (failing to provide procedures for how collectors, transporters, and recyclers would "demonstrate compliance" with laws and U.S. EPA guidelines)).

003068



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Manager State Government Relations
Hewlett Packard
Tel: 404.405.3718
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February 27, 2007

Connecticut Joint Environment Committee
Senator Bill Finch, Chair
Representative Richard Roy, Chair

RE: H.B. No 7249 (Raised) "An Act Concerning the Collection and Recycling of Covered Electronic Devices."

Dear Chairmen Finch and Roy:

Hewlett-Packard ("HP") thanks the Committee on the Environment for the opportunity to submit the attached list of key concerns regarding H.B. No. 7249 (Raised) "An Act Concerning the Collection and Recycling of Covered Electronic Devices." HP supports producer responsibility as an effective mechanism to address the issue of consumer electronics recycling. Therefore we believe that the underlying concept of H.B. 7249 is the right approach.

Background Information about HP: HP is a leader in recycling electronic devices in the United States and globally. HP's strategic partner, Noranda Recycling, operates two state-of-the-art recycling facilities in the U.S., processing approximately 3.5 million pounds of electronic material per month. HP has a goal of recycling 1 billion pounds of electronic products and printing supplies by the end of 2007. HP provides to consumers our innovative "Planet Partners" program which provides the public a convenient, environmentally sound recycling method for computer hardware. We accept both HP and other manufacturers' computer hardware.

003069

NAME
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Page 2



HP's Position on H.B. 7249. Due to the key concerns summarized in the attachment, HP cannot support H.B. 7249 in its present form. If H.B. 7249 is amended to be a return share based bill, then HP stands ready to work with the Committee to address HP's concerns and to develop a sound, effective covered electronic device recycling system for Connecticut.

Sincerely,

Carlos M. Cardoso
Manager State Government Relations

cc: Connecticut Joint Environmental Committee Members

JOINT
STANDING
COMMITTEE
HEARINGS

ENVIRONMENT

PART 10
3070-3376

2007

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State of Connecticut
Legislative Environment Committee
Public Hearing Comments
Wednesday, February 28, 2007

HB 7249
SB 1225

Recycling Electronic Devices

Good morning: I am James Hogan, Director of Government Affairs for WeRecycle!, Inc. an electronic waste and universal waste recycling firm located in Meriden, CT, where we have been recycling electronics for four years now. We have 50 employees and continue to grow. We serve various governmental agencies, the business community and a wide range of institutions, in the north east and occasionally beyond. We are actively involved in the State of Maine electronics recycling program, having been selected by Maine to be one of the seven approved "consolidators" conducting collection and recycling events in that state.

WeRecycle!, Inc. fully supports the adoption of recycling laws for electronic waste, given the millions of pounds of reusable material that is now being wasted via disposal in landfills or resource recovery facilities. 98% of the materials in electronics can be recycled. At our facility in Meriden each component is segregated and then marketed to various recycling firms that will reuse those different recyclables, to make new products.

Adoption of electronics recycling legislation is in keeping with the recently adopted CT, Solid Waste Management Plan. To our mind, that is good planning, for the average household has 26 electronic devices, all of which have recyclability.

We can tell you, from our experience with the State of Maine's program, that state wide legislation will substantially enhance recycling of this class of waste; create new jobs; boost recycling rates and protect the environment. Additionally, the State of Maine methods work satisfactorily, from a logistics and operational perspective.

One very important aspect of establishing a program is to be sure that the electronics are properly recycled, in an environmentally sound method. There are firms that call themselves electronic recyclers and they are simply electronics shippers. They collect the electronics in overseas containers and simply ship the load, as is, to third world countries where archaic methods of dismantling the electronics lead to pollution of the environment. Open burn pits are used to burn insulation off of copper wires and components having no value are simply dumped indiscriminately. Preferable to this would be responsible domestic recycling that improves our infrastructure, provides jobs locally, educates the community and ultimately protects the environment. Whatever legislation Connecticut adopts, there should be safeguards for the environment built in.

WeRecycle!, Inc. applauds the initiative of our legislators in holding these hearings, a first step in further protection of our environment.

Thank you.

WeRecycle!, Inc. • 500 South Broad Street • Meriden, CT 06450 • (203) 630-0344 • FAX (203) 630-2429 • www.WeRecycle.com

THE COUNCIL OF STATE GOVERNMENTS

RESOLUTION ON THE DEVELOPMENT OF A LEGISLATIVE APPROACH
TO END-OF-LIFE ELECTRONICS MANAGEMENTResolution Summary

Electronic products from computers to consumer electronics are an important component of everyday life. When they are no longer useful, however, they pose challenges for consumers, governments and others along the product chain.

Electronic products may contain lead, mercury and other harmful substances that, if not managed properly, pose a threat to human health and the environment. The collection and recycling of waste electronics promotes resource conservation, saves energy and creates economic development opportunities.

The costs to consumers and state and local governments to collect and recycle waste electronics are increasing, and it has become necessary to establish a system whereby manufacturers are engaged in the collection and recycling of waste electronics.

The Council of State Governments' East and Midwest regions have come together in support of harmonized legislation for the management of e-waste. The goal of this model legislative approach is to reduce compliance costs for business and government and to foster state collaboration on program implementation. This resolution calls on state legislatures to consider the harmonized policy for enactment in their state.

Additional Resources

- CSG-ERC/NERC project: <http://www.csgeast.org/enrgwaste.asp>
- State of California e-waste program: <http://www.ecycle.org>
- State of Maine e-waste program: <http://www.maine.gov/dep/rwm/ewaste>
- State of Maryland e-waste program:
<http://www.mde.state.md.us/Programs/LandPrograms/Recycling/SpecialProjects/ecycling.asp>
- State of Washington e-waste program:
<http://www.ecy.wa.gov/programs/swfa/eproductrecycle>

Management Directives

- **Management Directive #1:** Educate state leaders about the importance of end-of-life electronics management.
- **Management Directive #2:** Inform state leaders about the CSG/ERC – NERC process for developing the Model Electronic Recycling Legislation.
- **Management Directive #3:** Support state efforts to adopt a legislative solution to end-of-life electronics management.

THE COUNCIL OF STATE GOVERNMENTS

Resolution on the Development of a Legislative Approach to End-of-Life Electronics Management

WHEREAS, electronic waste—including discarded computers, televisions and other electronic devices—is considered by the United States Environmental Protection Agency to be the fastest-growing form of consumer waste in the U.S.;

WHEREAS, there is no national system in existence governing electronics end-of-life management;

WHEREAS, the states of California, Maine, Maryland and Washington have successfully enacted legislation for managing some portion of the waste electronics stream;

WHEREAS, given the absence of significant activity at the federal level, The Council of State Governments/Eastern Regional Conference (CSG/ERC) Energy & Environment Program engaged in a collaborative effort with the Northeast Recycling Council, Inc. (NERC) to facilitate a dialogue among state legislators, legislative and agency staff in the ERC's fifteen member jurisdictions;

WHEREAS, the Illinois Department of Environmental Protection, the Iowa Department of Natural Resources, the Michigan Department of Environmental Quality, and the Minnesota Pollution Control Agency (hereafter Midwest environmental agencies) collaborated to develop a policy statement on e-waste to promote harmonized programs in the Midwest;

WHEREAS, the CSG/ERC – NERC effort and the efforts of the Midwest environmental agencies sought significant input from stakeholders at the regional and national level through planned and coordinated multi-stakeholder meetings and additional single-stakeholder meetings between policymakers and manufacturers, retailers, recyclers, leasing companies, environmental groups and local government;

WHEREAS, CSG/ERC and NERC staff collaborated with staff from the Midwest environmental agencies to develop a harmonized policy for electronics management systems among the two regions;

WHEREAS, legislation based on the harmonized policy was introduced in Minnesota, New York, Delaware, New Jersey and Pennsylvania in 2006;

003073

WHEREAS, establishment of a unified legislative approach would promote a level playing field for manufacturers, avoid a patchwork quilt of laws and regulations, thereby avoiding increased management and compliance costs among governments and businesses and reduced recycling opportunities;

WHEREAS, consistent with the guidance provided by policymakers, the CSG/ERG Model Electronic Recycling Legislation and the Midwest environmental agencies' policy statement calls for manufacturers to assume responsibility for the collection, transportation and recycling of discarded electronics, and, among other provisions, would establish collection programs that are convenient for consumers, create environmentally sound management standards, set clear performance goals, and encourage multi-state collaboration.

BE IT THEREFORE RESOLVED, that The Council of State Governments supports these efforts to inform and educate policymakers about the issues associated with end-of-life electronics management and believes that the CSG/ERG - NERC project and that of the Midwest environmental agencies make a significant contribution to the national discourse on this critical policy matter;

BE IT FURTHER RESOLVED, that The Council of State Governments authorizes staff to perform outreach to members of state legislatures and their staff throughout the nation to inform them of the harmonized policy developed by CSG/ERC- NERC and the Midwest environmental agencies' process and encourages the consideration of legislation based on that policy.

Adopted this 3rd Day of December, 2006 at the
CSG Annual State Trends and Leadership Forum
In Phoenix, Arizona



Governor Jim Douglas
2006 CSG President



Senate President Earl Ray Tomblin
2006 CSG Chair

003074

Committee On Environment Public Hearing
February 28, 2007
Testimony Regarding Electronics Recycling Legislation
Raised Bills 7249 & 1225

HB7123

Thank you for the opportunity to submit this testimony. My name is Peg Hall and I am the Solid Waste Manager for the Town of Branford. I came to Branford as its first Recycling Coordinator in February 1988. I became Solid Waste Manager in 1992 and currently administer all aspects of garbage, recycling, and household hazardous waste for the Town. I am one of the founding members of the Connecticut Recyclers Coalition (CRC), and an active member of the CRC Electronics Working Group.

Branford has been running a permanent electronics recycling drop-off location at our transfer station for over 8 years – longer than anyone else in the state.

A little over a year ago, many of us who had some involvement in electronics recycling, and who had been to a couple panel discussions would have testified that we wanted electronics recycling legislation, but many of us would have settled for almost any bill as an improvement on the status quo. But last fall CRC embarked on an ambitious program to study the various models in depth and talk to a variety of stakeholders. We ourselves are a coalition of parties interested in recycling in Connecticut and feel we are well suited listen to various stakeholders, including our members. We have had presentations from a manufacturer's group, from Washington State, from Maine, and from the Council of State Governments (CSG); we have met with representatives of retailers, financiers, and individual manufacturers; we have talked with representatives of charities, electronics recyclers, environmental groups, with individuals, towns, regions, and the state of California, and with our own DEP. And then we have called most of these people back again and asked even more questions.

Our conclusion is that the issue is not an easy one and cannot be reduced to sound bites. But we solidly support a Shared Responsibility model with a strong Producer Responsibility component, and we do not support Advanced Recycling Fees as in the California model. We feel government's role should be to set the standards and provide oversight, but the running, financing, and financing decisions should be in the hands of business who should compete for better efficiencies and have the incentive to create greener products. A fuller description is in our position paper attached to CRC President CJ May's testimony.

Branford currently recycles 70-80 tons of TVs, computers, and other electronics each year for a total of nearly 400 tons to date. That's about 5 pounds per person per year – an impressive rate by any national comparison. It is 3.1 pounds/person/year of just the TVs and monitors. California's recycling rate in 2005 for the TVs and monitors – all that is covered by their Advanced Recycling Fee legislation was 1.8 pounds/person/year.

I have heard a concern that Producer Responsibility models would not recycle as much as an ARF model. **The financing mechanism is not what will drive the capture rate.** Similarly, basing payment on market share or on return share is critical to many stakeholders, but we feel is ultimately not an environmental issue, nor one that will drive the recycling rate up or down. The keys to recycling more electronics are

- not to charge an end-of-life fee when someone wants to dispose of a product;
- to make recycling locations convenient, and with extended hours;
- to recycle more categories of products – for example computer CPUs, not just monitors;
- to accept materials from a wide range of sources, such as individuals, charities, schools, etc.; and
- to not allow disposal by other means, such as incineration or landfilling.

Branford pays about \$20,000 per year in direct costs that are covered by general tax revenues. We do not charge residents to drop off electronics. We are on route 1 and open 6 days a week. We accept anything with a screen and almost anything with a circuit board. We accept from any Branford source (though businesses do currently pay, and we get very little from even small businesses.) And because there is no other way to get rid of a TV or computer for disposal, it must be brought to the transfer station. Because it must be brought there, there is no education required, and no education budget needed for nearly a 100% capture rate. Staff simply says “put that over there and the TV in this shed”. No one has to buy into the program for it to work; and it works well.

I have also heard some confusion as if the bottle deposit bill is a kind of advanced recycling fee, which it is not.

The bottle bill is a form of producer responsibility that works – albeit one where the customer rather than producer pays. It acknowledges that we cannot keep creating seemingly limitless quantities of additional waste and expecting government to handle it and to foot the bill for it. The difference between the desirable **deposit** in the bottle bill and the less desirable **targeted tax or fee** of an Advanced Disposal Fee/Advanced Recycling Fee/Advanced Recovery Fee/ARF, such as that proposed by SB 1225 for electronics recycling, is twofold:

- 1) a deposit paid by the consumer can be reclaimed by the consumer when they do the right thing and return the item for recycling (works for **litter prevention**); an ARF is used to fund recycling, but is not reimbursed to the consumer, so is a tax, not a deposit, and
- 2) people do not tend to throw TVs and computers out of car windows on the highway, into the bushes as they walk, or leave them all over public parks and at major events; when empty redeemable containers are disposed of in such an inappropriate fashion by their original consumer, another person is very likely to come along and pick up the container for its redemption value. This likelihood would increase if the redemption value were to be increased, as would the litter prevention value.

As the concept of Producer Responsibility sweeps the European Union and makes strong headway in the US, I strongly encourage the adoption of legislation similar to Raised

003076

Bills 7249, patterned after the CSG/NERC model, or the DEP bill 7123, provided that no large government bureaucracy is created, and that stakeholders conflicting needs are taken into account to mitigate any unfairness in the final financing mechanism. The Vision Statement of the State Solid Waste Management Plan cannot be achieved by continuing business-as-usual, and expecting government to continue to handle and pay for ever-increasing amounts of waste. All stakeholders must play a part to reduce waste and toxicity, and promote recycling.

Thank you for the opportunity to address this Committee. Please feel free to contact me with any questions.

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003077



TOWN OF MANSFIELD
DEPARTMENT OF PUBLIC WORKS

Lon R. Hultgren, P.E., Director

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To: Environment Committee

From: Virginia Walton, Mansfield Recycling Coordinator

Date: February 21, 2007

Re: Testimony In Support of Raised Bill 7249, An Act Concerning the Collection and Recycling of Covered Electronic Devices

As the Mansfield Recycling Coordinator, I am writing to you in favor of bill 7249. Bill 7249 supports a shared responsibility approach to e-waste recycling, similar to the Northeast Recycling Council's model legislation. Manufacturers, government, retailers and consumers all have a role in the recycling of the electronic waste. Shared responsibility means there is no end-of-life fee for recycling; manufacturers finance the system. At all levels of government there is minimal administration, and there is a limited cost to municipalities. Manufacturer participation is mandatory or they cannot sell in Connecticut. Best of all, this method lends itself to recycling design efficiencies, not just handling waste.

Shared responsibility is widely supported. The Connecticut DEP, Connecticut Recyclers Coalition, Hewlett-Packard, Dell, the Connecticut Retail Merchants Association, the State of Maine and Washington, the Northeast Recycling Council and Council of State Governments all support shared responsibility of e-waste recycling.

An alternative approach supports an end-of-life fee (or advanced recycling fee.) Money is collected from the consumer at the end of the electronic equipment's use. Without a State law, this is what Mansfield has been doing for seven years. Residents pay a fee for the electronics they bring to the transfer station. However, the fee covers about one third of the Town's cost. Mansfield's yearly expense is about \$7,000. Building the cost of recycling into the design of electronics, as raised bill 7249 does, would offer relief to Mansfield as well as provide a greater incentive for residents to recycle.

We commend you for the language of HB 7249 and support it's passage into law.



003078

City of Middletown

PUBLIC WORKS DEPARTMENT

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Testimony on Electronics Recycling February 28, 2007

by

Kim O'Rourke,

City of Middletown Recycling Coordinator

Support: Raised Bill 7249, AAC The Collection and Recycling of Covered Electronic Devices

Oppose: Raised Bill 1225, AAC The Recycling of Electronic Devices

Good morning, Senator Finch, Representative Roy and members of the Environment Committee. Thank you for the opportunity to comment on these two bills. I have also submitted testimony in support of the bottle bill expansion, Raised Bill 1289. An Act Concerning the Expansion of the Beverage Container Redemption Provisions.

My name is Kim O'Rourke and I am the Recycling Coordinator for the City of Middletown and a member of the Connecticut Recyclers Coalition. I am staff to the Middletown Resource Recycling Advisory Council, who has worked closely with me on this issue.

The City currently accepts computers and televisions for recycling at the Middletown Transfer Station for a charge. The fee pays for the recycling and transportation of these items. The fee has also discouraged many residents from using this option. I suspect there are still many computers and televisions sitting in people's attics and basements in Middletown.

Thank you for taking the time to learn about this issue. It is not an easy one and there are numerous details that need to be discussed and debated. I have been part of the Connecticut Recycler's Coalition E-Waste Working Group that has been studying this issue for the past six months. We have had long discussions, presentations and question and answer sessions with representatives from

003079

Maine, Washington, California, as well as manufacturers and retailers who will be affected by legislation.

Last year, I testified on this issue, and at the time the City of Middletown was happy to support any kind of e-waste bill brought forward. However, after researching the issue further, we feel strongly that the best method for Connecticut is to follow the national trend and pass a producer responsibility bill. A producer responsibility, or shared responsibility model, gives responsibility to all the stakeholders, generators, retailers, government and manufacturers.

Because of that we support RB 7249 instead of the advanced disposal fee outlined in RB 1225.

- ✓ A producer responsibility system is strongly supported by the CT DEP, as outlined in the new State Solid Waste Management Plan. The Department specifically calls for a producer responsibility model for e-waste recycling. It calls for using this model for other items in the future also. It offers a creative and efficient approach to waste management.
- ✓ A producer responsibility system does not create a new tax on consumers.
- ✓ A producer responsibility system has been chosen by the states of Maine, Washington and Maryland. The CSG/NERC regional model (as outlined in R.B. 7249) is being promoted in other states in the region.
- ✓ A producer responsibility model promotes efficiency in the system.
- ✓ A producer responsibility model can encourage manufacturers as a whole to consider building greener products that are easier to recycle and use less toxic materials.
- ✓ A producer responsibility model is less burdensome for local retailers.
- ✓ A producer responsibility model can eliminate the internet sales issues.
- ✓ A producer responsibility model can avoid a large state bureaucracy.
- ✓ A producer responsibility model allows producers to do what they do best - create innovative solutions that will work for them.
- ✓ With a producer responsibility model, the consumers ultimately pay, but the costs will be lower.

003080

We support the CSG/NERC Model as outlined in Raised Bill 7249, AAC The Collection and Recycling of Covered Electronics, however we do have some changes we'd like to suggest:

Role of the DEP - The original version of this CSG/NERC model legislation included the option for using a third party organization for the administration of this program. We strongly recommend that this be included. The State's role should be oversight and enforcement, not administration. The Maine program has no need for any kind of administrating body, where as the Washington program has created a third party organization comprised of manufacturers. This group is responsible for the program and must follow the guidelines as presented by the state. Either one of these models is more acceptable than creating a huge state bureaucracy to administer this program.

There is also concern that creating a special fund administered by State Government, leaves open the opportunity that the fund can be raided at some point for other purposes. Not that this would ever be done, but to ensure its used for e-waste recycling purposes, why not either avoid creating a special fund (such as the Maine model does) or create a special fund under a third party's control (such as the Washington State model). That also helps to eliminate a large state bureaucracy administering the program.

Return Share vs. Market Share - The CSG/NERC model recommends a market share financing system for this program. Maine and Washington State use a return share system. I don't have a strong opinion on either one. It's not an environmental or municipal issue, but I do think return share offers a better way to charge for exactly what comes in to be recycled, as opposed to charging for what is being sold.

Other Important aspects of the program -

- ✓ **Accessible Drop Offs** - In order for the program to be successful it must offer free, accessible and convenient drop off locations. This is key to maximizing the capture rate.
- ✓ **Please, limit the paperwork!** - As a municipality, we do not support a reimbursement system, where we must count each item and submit invoices. We prefer to have a system where an approved vendor collects the material from our transfer station and the payments are done between the vendor, manufacturer and, if necessary, the third party organization. Municipalities may be able to serve as collection sites, but adding significant paperwork and invoicing could prove to be too burdensome.

003081

- ✓ **Include CPU's** - It is extremely important to include televisions and computer systems (monitors and CPU's) as covered electronic devices and be able to expand to other materials in the future.
- ✓ **Sales Ban & Disposal Ban** - It is absolutely necessary to include a sales ban on any manufacturer not complying with any part of this law and a disposal ban on the covered electronic devices after the program is in place.

On a separate sheet, I have offered further specific comments on this bill.

Thank you for your time in considering this complicated issue. I understand there are a lot of details, many of which may not be resolved in legislation, but in regulation. The computers and televisions are not stopping. They are coming full force and we'd appreciate the State's help in developing a creative and efficient approach to help us conquer this problem.

Thank you very much.

Kim O'Rourke
Middletown Recycling Coordinator
860-344-3526
kim.orourke@cityofmiddletown.com

City of Middletown
Kim O'Rourke, Recycling Coordinator

Specific Comments on Raised Bill 7249, An Act Concerning the Collection and Recycling of Covered Electronic Devices

1. Role of the DEP - this was addressed in testimony. The role of the Department should be oversight and enforcement, not administration of this program. I prefer to see a program with a lot less bureaucracy, one more similar to Maine or Washington State's.
2. Sec. 5 - Concerns were raised in Washington State whether some white box manufacturers or new brand owners from overseas (with no US offices) might file plans for their own programs, but then fail to enact them, and then reformulate their companies to legally escape responsibility. These concerns led Washington State to restrict new entrants and white box companies to paying fees into the standard plan, and not having the option to do an individual plan.
3. Sec. 6(b) - Delete "or apply that excess to the following year's recycling obligation". If a company does really well one year, it could reduce its efforts in subsequent years, by simply applying its credits towards its obligation. We want continuous improvement, not reductions in recycling.
4. Sec. 8(a) - This section requires the DEP to "ensure at least one electronics collection opportunity is available not less than five days a week in each county". If we want to have a good capture rate, collection opportunities should be available in each town, five days a week or at least in an area of 10,000 people - towns could work cooperatively. The key to getting a high number of units is having accessible, convenient drop off areas. These must be open at convenient times and easy for people to get to. In Washington State they are leaving this job to the third party organization. The third party organization can work with municipalities, non-profits, or businesses to set up collection sites. There's many ways to do this, but I don't think the current wording in the bill is sufficient to capture a good percentage of the materials. It is important to note here, too, that collection sites don't have to be municipalities. Washington designed their bill to offer incentives for other locations to serve as collection sites also.
5. Sec. 8(b) - This section requires collection sites not to place limits on how many units consumers can drop off. Our transfer station could not handle a large delivery of computers or televisions. What do we do if a load of 50 - 100 units come in? Is it the intention of this law to allow business waste to be dropped off? This issue needs to be discussed further. The City's transfer station could handle small amounts from small businesses (by

003083

appointment) but it is unrealistic to expect municipalities (or other collection locations) to handle large loads of material.

6. Sec. 9(b) The payment of invoices is complicated. As I mentioned in my testimony, we'd prefer to be able to verify the units came from State residents and not deal with reimbursements. Have the payments coordinated between the vendor and manufacturers directly. Let the municipalities collect them, but don't require counting and invoicing for reimbursement. Please! Many municipalities will have problems with that. The collection may not be so burdensome, but the paperwork would be a problem! We could look to Maine and Washington State for some guidance on how this can be done with less burden to the municipalities or other collection sites.



STATE OF CONNECTICUT
DEPARTMENT OF ENVIRONMENTAL PROTECTION



Environment Committee
Public Hearing February 28, 2007

Testimony Submitted by Commissioner Gina McCarthy
Department of Environmental Protection

Raised House Bill No. 7249, An Act Concerning the Collection and Recycling of Covered Electronic Devices

Raised Senate Bill No. 1225, An Act Concerning the Recycling of Electronic Devices

Thank you for the opportunity to present testimony regarding Raised House Bill 7249 and Raised Senate Bill 1225. The Department supports legislative action to enact an electronics collection and recycling (e-waste) bill this legislative session. Raised House Bill No. 7249 supports a producer responsibility model where the primary financial responsibility lies with the manufacturer. Raised Senate Bill 1225 supports an advanced recovery fee (ARF) paid by the consumer at the point of sale and administered by state government. Both models deserve careful consideration.

However, as a matter of public policy, the Department supports the producer responsibility model as the best way to address the e-waste issue. The producer responsibility model has the distinct advantage of creating an incentive for the manufacturers of electronic devices to improve the lifecycle design of their products to reduce total costs including ultimately the cost of recycling their products. Whether by extending the useful life of electronic products, minimizing the use of toxic components or improving the ability of the products to be easily recycled, producer responsibility creates the proper nexus between product supply and environmental protection.

We agree that there is a need for a comprehensive e-waste recycling program. Connecticut's Solid Waste Management Plan amended December 2006, after an extensive stakeholder process, identified the producer responsibility model as the preferred and most efficient and equitable means of managing e-waste. To that end, the Department of Environmental Protection developed its own proposal. (See Raised House Bill No. 7123, An Act Establishing the Connecticut Electronic Products Recycling Authority.)

While not on today's agenda, we hope that Raised House Bill No. 7123 will receive a public hearing before the Environment Committee. Raised House Bill No. 7123 agrees with the underlying premise of Raised House Bill No. 7249 before you today, that manufacturers should bear a larger responsibility for assuring that electronic products are recycled in a safe and efficient manner. Further, investment by manufacturers in the end of life phase of a product should spur manufacturers toward improved full life cycle design resulting in less toxic, longer-lived and easier to recycle products.

The Department supports the concept of producer responsibility found in the Proposed House Bill 7249, however the level of detail presents some specific concerns that we believe need to be addressed. First, this bill places a significant administrative burden on the state government. While it is necessary for the Department to be actively involved in an e-waste initiative, a more limited governmental role will make the program more efficient while still capturing a large percentage of e-waste currently destined for disposal. The Department's proposal leaves open for further discussion some of these administrative details and we would look to other successful examples of producer responsibility programs in crafting a program that works for Connecticut without interfering with the global market. Connecticut can benefit by assessing other state's programs when deciding upon our own best course of action. Such examples include Washington State where manufacturers are required to form an association to administer and

003085

finance the collection and recycling of e-waste. In Maine, the DEP registers recyclers who then bill manufacturers directly after collecting and sorting the e-waste.

Raised Senate Bill 1225 identifies an advanced recovery fee (ARF) to cover the costs of implementing an e-waste recycling program. The State of California recently implemented such a program. While reportedly successful in collecting e-wastes, California's ARF program comes with significant government overhead, requiring over 60 state employees to administer the program while the manufacturers play virtually no role and provide no funding.

Some have argued that the ARF model has a significantly better "rate of capture" of electronic devices than the producer responsibility model. The Department has not been able to obtain reliable, current information on capture rates for e-waste recycling and we would welcome the opportunity to review that type of information from other programs. What the Department has seen from California is a per capita e-waste recycling rate of approximately 1.79 lbs per person in 2005.

As proposed, Raised Senate Bill No. 1225 would require significant state resources at both the Department of Environmental Protection and the Department of Revenue Services. Retailers too, are impacted by having to collect the fee and remit payments to the Department of Revenue Services. With this approach there is the added concern that out-of-state e-waste may find its way into Connecticut – financed by Connecticut consumers. Most fundamentally, the ARF approach creates no incentive to design more environmentally-friendly products.

The first e-waste recycling event in Connecticut took place in 1998. Since that time, municipalities have been largely responsible for financing the recycling of residential e-waste. E-waste recycling events in Connecticut have been well attended, taking in as much as 50 tons in one day. The time has come to more equitably distribute the financial responsibility for these programs with the manufacturers. The DEP has developed its own proposal concerning e-waste based on a "producer responsibility" model and will hopefully have an opportunity to provide testimony to the Environment Committee should that bill be called for a public hearing.

In summary, the Department welcomes further discussions with the General Assembly so that the State of Connecticut can move forward with an e-waste recycling program this year. We are happy to share our information and insights into our preferred approach--the producer responsibility model. Additionally, we remain open to accept additional information and policy analysis on these models and we renew our commitment to work cooperatively with the Environment Committee to resolve this critically important issue to benefit of the citizens of Connecticut.

Again, thank you for the opportunity to present testimony on these bills. If you should require any additional information, please contact Tom Tyler, Legislative Program Manager, at 424-3099 or Robert LaFrance at 424-3401.

003086



PHILIPS

Philips Electronics

Testimony of Philips Electronics and the Electronics Manufacturers Coalition for
Responsible Recycling on SB 1225 and HB 7249
Joint Committee on Environment
February 28, 2007

Philips Electronics is a member of the Electronics Manufacturers Coalition for Responsible Recycling (Coalition). The coalition represents many of the largest consumer electronics companies in the world who have come together to support the use of an advance-recycling fee (ARF) to pay for a consumer electronics-recycling program. The coalition members are Canon, Epson, Hitachi, JVC, LG, Mitsubishi, Panasonic, Philips, Pioneer, Sanyo, Sharp, Sony, Thomson, and Toshiba. The Coalition supports an ARF because experience in California, a number of European countries and some Canadian provinces has clearly shown that an ARF provides a sustainable and adequate source of funds to local governments and recyclers for recycling end of life electronics in the most cost-effective manner possible while maintaining a level playing field in the market. Many states currently use ARF type funding mechanisms for recycling of lead acid batteries, tires and beverage containers.

Our position can be summarized as follows:

1. The Coalition agrees that states should establish a source of funding for electronics recycling. Manufacturers have supported funding mechanisms that are successfully being implemented in jurisdictions in North America and around the world.
2. We support SB 1225 with amendments because it is based on the concept of shared responsibility and the advance recycling fee provides a sustainable and adequate source of funds to local governments and recyclers for recycling end of life electronics in the most cost-effective manner possible without adversely affecting the very manufacturers who are the leaders in making the environmental design improvements that legislators say they want to see.
3. We are opposed HB 7249 because it is based on three false premises.
4. Although there is general agreement that shared responsibility should be the basis for electronics recycling by all those who benefit from the sale of these products, HB 7249 puts the entire financial responsibility for collection and recycling on manufacturers. HB 7249, therefore, is not a system based of shared responsibility. There are no financial responsibility for retailers, state and local governments, and the ultimate consumer in HB 7249 even though all of these stakeholders benefit from sales of televisions.
5. Supporters of these bills say that it would provide an incentive to television manufacturers to make better products. Television manufacturers, however,

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are demonstrated leaders in environmental design improvement without any such incentive. Moreover, since the average life of a television is 17 years, the average television sold today will not be returned for 17 years. Televisions manufacturers today will not be influenced by the possibility that they will save money on recycling 17 years from now.

6. Producer responsibility/manufacturer fee approaches actually provide a disincentive because these approaches are not economically viable for the vast majority of responsible manufacturers who are the leaders in making environmental improvements.
7. The Committee should adopt SB 1225 as it did last year.

We are anxious to work with the Committee on amendments to the bill to make it more workable.

I have attached a detailed paper that relies heavily on independent third parties that addresses most of these issues I have raised above.

I want to address the concept of shared responsibility. Under shared responsibility, all the major stakeholders - manufacturers, retailers, government, non-governmental organizations (NGOs), recyclers and consumers - participate in efforts to establish a viable recycling infrastructure based on their unique expertise and capabilities. A recent General Accounting Office report described the development of shared responsibility or extended product responsibility as follows:

“In 1996, the President's Council on Sustainable Development recommended an EPR policy which it defined much more broadly as the shared responsibility of government, consumers, and all industry actors in the product chain for all the environmental impacts of a product over its life cycle, with no emphasis on the producer's unique responsibilities or on the post consumer stage. In practice, the term has mostly been used to describe producer responsibility "post-consumer"—after products have been discarded at the end of their useful life.”
(<http://www.technology.gov/reports/2006/Recycling/Beg-Apendix7.pdf>) Page 35.

In Europe the Directive on Waste Electrical and Electronics Equipment adopts such a shared responsibility approach. Under the Directive retailers are required to accept spent products from consumers. Manufacturers are responsible for actual recycling. But in countries with 2/3 of the European population the recycling is funding by a visible fee that is collected by retailers to pay for recycling.

HB 7249 does not adopt such an approach. HB 7249 puts the full financial burden for collection and recycling on manufacturers.

Retailers, who benefit from the sale of televisions and associated products sold with televisions such as warranties, have no financial responsibility in their role as retailers. Any responsibility they have is if the retailer also sells products under its own brand name and is in essence a manufacturer. They also have no collection responsibilities as they do in Europe.

003088

The state of Connecticut significantly benefits from sales of televisions. The state applies a 6% sales tax on televisions as well as other products. Given the national wholesale value of televisions sold (estimated by the Consumer Electronics Association at \$25 billion for 2006), a conservative retail markup of 25%, Connecticut's percentage of the US population (1%), and the state sales tax of 6%, Connecticut received around \$18 million from the sale of televisions in the state. Connecticut receives this funding from consumers, who pay the tax, which is collected by retailers, who do not receive any reimbursement for this collection. Our coalition has suggested the same type of funding mechanism for recycling televisions. Connecticut also benefits from income taxes on employees involved in the sale and servicing of these products.

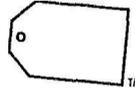
Local governments benefit from property taxes paid on retail stores.

Finally, consumers' benefit by choosing to purchase a television using either over the air signals, or cable and satellite programming. For a \$1,000 television that lasts 20 year, a consumer pays only the equivalent of \$50/year for free over the air television.

HB 7249 places no financial responsibilities on retailers in their role as retailers, state government, local government and consumers. HB 7249 cannot be considered a shared responsibility approach to consumer electronics.

We would be happy to answer any questions and look forward to working constructively with the Committee to achieve our mutual goal of having a funding mechanism for television recycling.

003089



BEST BUY™

February 28, 2007

Members of the Joint Committee on Environment
Connecticut Legislature
Room 3200, legislative Office Building
Hartford, CT 06106-1591

Re: **Hearing on the Recycling of Consumer Electronics**
Support for HB 7249 – Opposition for SB 1225

Dear Members of the Joint Committee on the Environment:

I am writing today on behalf of Best Buy Co., Inc. and our nearly 1500 employees and 10 retail stores in the State of Connecticut. Best Buy Co, Inc. is a specialty retailer of consumer electronics, personal computers, entertainment software and appliances. We are also a manufacturer of consumer electronics under our private label brands.

We applaud your committee's efforts to examine the issue of electronics recycling (e-waste) and hope to work with you to find a solution to this growing concern. **We urge you to support HB 7249 which encourages a manufacturer responsibility model toward the recycling of electronics and establishes a statewide recycling system through the cooperation of consumers, retailers, manufacturers, recyclers and governments. We ask that you oppose SB 1225 which would impose a California-style advanced recovery fee model (ARF).**

A manufacturer responsibility approach (HB 7249) is preferable to an advanced recovery fee (ARF) approach for the following reasons:

Oppose SB 1225

- **An ARF at the state level further complicates an already unfair tax system.** Pure online sellers without nexus in Connecticut have no requirement to collect the fee which puts Connecticut "brick and mortar retailers" at a competitive disadvantage. Placing additional fees at point of sale further complicates streamlining the sales tax system and emboldens the U.S. Supreme Court's *Quill* decision. SB 1225 could make it more difficult to implement streamline sales tax initiatives for the State of Connecticut in the future.
- **An ARF creates a government monopoly that will increase the cost of recycling over time.** A system that provides an incentive to reduce the costs of recycling through market forces has the greatest potential to provide the most cost-effective solution and ultimately be most cost-effective for the consumer.
- **The ARF model would tax CT consumers and create a large state-run bureaucracy,** shouldered by consumers and retailers of Connecticut. The State of California hired over 100 people to administer the program and the costs for implementation have exceeded \$15 million dollars last year. Retailers also incur costs to program point of sale systems and add new products to their systems as the State adds more products to the list of covered devices.
- **An ARF is not the model that States are looking at now.** California passed their ARF law in 2003, since then, no other state has passed with this model. All other states that have passed legislation, including Maine, Maryland, and Washington, have all passed legislation based on a manufacturer responsibility model and not based on a the ARF approach.

ELFA

003090

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Page 1 of 4

Testimony
Connecticut Senate Bill 1225 and Senate Bill 7249
Wednesday, February 28, 2007

Dennis Brown
Vice President
State Government Relations
Equipment Leasing & Finance Association
Arlington, Virginia

I appreciate this opportunity to present testimony on behalf of the Equipment Leasing & Finance Association (ELFA), the trade association representing financial services companies and manufacturers engaged in financing the utilization and investment of/in capital goods. ELFA members are the driving force behind the growth in the commercial equipment finance market and contribute to capital formation in the U.S. and abroad. Its over 750 members include independent and captive leasing and finance companies, banks, financial services corporations, broker/packagers and investment banks, as well as service providers. For more information, please visit www.elfaonline.org

Producer Responsibility is the Preferred Approach

Senate Bill 1225 is based on a California consumer model for wastes from households and is not designed for the business-to-business equipment lease financing transactions in which ELFA members engage. The producer responsibility approach of Senate Bill 7249 recognizes some realities of commercial equipment leasing long known for environmentally safe recycling but this proposal would benefit from consultation with manufacturers that offer recycling program funding and/or structure alternatives to the model bill on which it is drafted. The ELFA policy position on electronic recycling:

- endorses producer responsibility as the preferred method
- asserts ELFA policy covers only leasing related provisions of legislation
- does not differentiate between commercial equipment categories
- ELFA policy regarding Advanced Recycling Fee legislation based on the California program calls for uniformity of equipment between states, scope of equipment certain and identifiable to lessors, clarity of collection responsibilities and a provision allowing vendors to bill lessors for the recycling fee

003091

Page 2 of 4
Equipment Leasing & Finance Association

ELFA Testimony Confined to Leasing Issues

Producer responsibility has been enacted in varying manner with states selecting differing formulas for computing the funding and implementing dissimilar program structures. ELFA does not advocate one formula or structure over another as these are questions beyond the advocacy of leasing issues assigned the association by industry members.

To resolve disparities between states, Connecticut participated in a regional committee that voted not to duplicate the California Electronic Waste Recycling Act upon which SB 1225 is patterned. That committee decided uniformity between Northeast states would best be achieved through manufacturer/producer responsibility. ELFA collaborated in discussions relating to leasing provisions of that document found in Senate Bill 7249 but we recognize non-leasing sections would benefit from a fresh look beyond the model bill.

We support producer responsibility as the preferred approach because the commercial marketplace of equipment lessors was never taken into consideration by drafters of the California program upon which SB 1225 is modeled. At the first meeting in Sacramento with state officials following enactment the Equipment Leasing & Finance Association was asked to provide a listing of our member retail stores, none of which exist. It can be a daunting challenge explaining the dynamics of our business-to-business sector and listing some basic facts will clarify our policy positions.

- 1) Commercial leased equipment flows from multiple points of origin through interstate commerce.
- 2) Lessors do not maintain a stock of inventory. Commercial leased equipment is shipped directly from supplier's (albeit manufacturer, vendor or distributor) inventory directly to lessees. Lessor ownership of the equipment is contingent with physical receipt and acceptance by a lessee.
- 3) Lessors do not have physical possession of equipment until end of the lease nor its descriptive manuals.
- 4) Equipment supplier invoices provide only general descriptions and often lack details necessary to determine if and how an E-Waste fee may apply.
- 5) Consumer models present equipment lessors with a risk of multiple fees on equipment that is released or resold in refurbished or existing condition.
- 6) Most leases provide for 'quiet possession by lessee' and lessors can not access equipment for inspection or gain descriptive details.

Page 3 of 4
Equipment Leasing & Finance Association

Voluntary election between equipment supplier and lessor

Equipment lessors are not retailers. Leasing also poses issues different from Internet and catalogue sales that can escape the recycling fee. Lessors do not have physical possession of equipment prior to lease. To comply with fee payment required by SB 1225 lessors will at times need to rely on equipment descriptions and information contained in vendor invoices that do not follow explanatory information issued by government to guide compliance with the law. As we've learned in the California program, it is challenging at best and impossible on occasion for equipment lessors to reach an informed decision on what equipment may or may not be covered. Without specific language addressing the commercial equipment leasing marketplace, Senate Bill 1225 will hinder good faith efforts by equipment lessors to be in compliance with the fee.

Recognition of the vendor relationship within a commercial leasing context will assist in making upfront consumer fees more acceptable in leasing transactions. The leasing vendor provision offered in this testimony recognizes the working relationship between a financing source and a vendor leasing firm that promotes leasing to their customers. Such a leasing provision is needed to make Senate Bill 1225 more user friendly in the business-to-business environment. This leasing provision is limited to purchase transactions for the purpose of lease. Since many suppliers of equipment to lessors also sell at retail, our industry distinguishes these sellers as vendors. Our limitation to purchases for the purpose of leasing is advised to forestall potential objection that this provision might apply in traditional retail environments. Our intention is to remedy problems faced by equipment lessors and to limit application of the provision to purchases of leased equipment so as not to create unintentional consequences to other industries.

ELFA wishes to work with bill drafters in a flexible manner to craft a vendor provision that meets these goals. Adoption of this suggested amendment to SB 1225 does not remove our preference for a producer responsibility approach. Following is one example of text that may be considered to recognize vendor programs in which a leasing company finances equipment:

"A lessor who purchases an electronic device (subject to this Act) in a wholesale transaction for the purpose of leasing to others, may contract to pay the advanced electronic waste recycling fee to the equipment vendor at time of purchase, provided such vendor is registered with the State for purposes of complying with this Act. The vendor shall separately state the advanced electronic waste recycling fee on the invoice given to the lessor at the time of sale and the lessor shall provide a statement in the lease agreement or on an invoice to document compliance with the fee. Nothing in this election shall alter the lessors' right to collect the fee from the consumer."

Page 4 of 4
Equipment Leasing & Finance Association

The scope of equipment should be certain and identifiable to the lessor

Senate Bill 1225 follows in the footsteps of California legislation that erected hurdles pitting equipment lessors against state bureaucracy at times unable to determine what equipment is covered by the fee with lessors potentially subject to penalties through no fault of their own. These issues should be resolved prior to enactment of a law requiring recycling fee collection by equipment lessors rather than positioning our industry to grapple with bureaucratic indecision such as we faced in the California program upon which Senate Bill 1225 is based. Allow me to illustrate.

Some issues were encountered quickly while others grew over time. As an example, at the outset our industry was faced with a dilemma created when the legislature adopted a sliding scale of fees on consumers based upon the variable screen size of a product. The viewable screen size when enclosed within the equipment chassis might require an \$8 fee while the same screen removed from the chassis or purchased separately as a replacement part would be \$10. Same screen but two different fees.

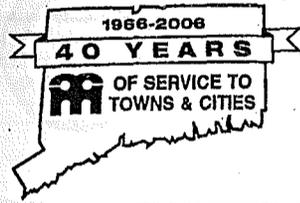
A longer term issue is the exemption language copied from the California statute that would carve out "a large piece of commercial or industrial equipment, including, but not limited to, commercial medical equipment..." How big is a "large piece" of equipment? Does the exemption encompass a piece of equipment contained within the chassis, on a robotic arm or attached by cable from a separate work station? Such questions have eaten up many hours of debate with the California bureaucracy and will do the same in Connecticut. Equipment lessors have been asked to provide pictures of equipment to assist government in making determinations in California.

Summary

ELFA can not support Senate Bill 1225 for it ensures much wrangling as Connecticut struggles to apply a program designed for consumer household products to the commercial sector. It lacks explicit directives regarding covered equipment, promises ambiguous application of exemptions and does not contain a provision to facilitate compliance by commercial equipment lessors. Senate Bill 7249 encompasses producer responsibility favored by ELFA but as presently drafted does not consider differing approaches to issues ranging from funding mechanisms to program structure that were not contained in the model on which it is based. We believe sponsors should convene discussions with other stakeholders to examine these issues.

Thank you for your attention and I would welcome any questions.

003094



CONNECTICUT CONFERENCE OF MUNICIPALITIES

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TESTIMONY OF THE
CONNECTICUT CONFERENCE OF MUNICIPALITIES
TO THE
ENVIRONMENT COMMITTEE

February 28, 2007

Raised House Bill 7249 "An Act Concerning the Collection and Recycling of Covered Electronic Devices"

Raised Senate Bill 1225 "An Act Concerning the Recycling of Electronic Devices"

CCM supports the concept brought forward by both of these bills - to establish and implement a new program, which would encourage greater recycling of electronic items.

Similar successful programs are currently in place in California and Maine, using different models. Passage of a proposal such as these would address the growing need to deal with electronic waste in our state and put Connecticut at the forefront of recycling efforts.

CCM supports proposals that would simultaneously increase recycling and reduce the volume of the municipal waste stream. This would, in turn, reduce municipal solid waste collection, handling, and disposal costs.

On the other hand, **any alternative that would impose recycling responsibilities on municipalities simply would not work** - collection costs would be high; proper storage and handling would similarly burden property taxpayers; it would raise a question of liability for those wastes; and, the program would likely not have as high a success rate. These bills are modeled after successful plans - they show electronic waste recycling would work without imposing yet another unfunded mandate on towns and cities.

CCM seeks to work with the committee and proponents of greater recycling of these items to craft a program that best meets the needs and nuances of our state and its municipalities, while improving recycling across the board.

###

For more information please contact Kachina Walsh-Weaver or Gian-Carl Casa at (203) 498-3000.



BRISTOL RESOURCE RECOVERY FACILITY OPERATING COMMITTEE

003095



TUNXIS RECYCLING OPERATING COMMITTEE

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**Testimony of the
Bristol Resource Recovery Facility Operating Committee
And the Tunxis Recycling Operating Committee
to the Environment Committee
February 28, 2007**

Berlin

Branford

Bristol

Burlington

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Meriden

Morris

New Britain

Plainville

Plymouth

Prospect

Seymour

Southington

Warren

Washington

Wolcott

- H.B. No. 7249 (RAISED) AN ACT CONCERNING THE COLLECTION AND RECYCLING OF COVERED ELECTRONIC DEVICES.
- S.B. No. 1225 (RAISED) AN ACT CONCERNING THE RECYCLING OF ELECTRONIC DEVICES.
- S.B. No. 1289 (RAISED) AN ACT CONCERNING THE EXPANSION OF THE BEVERAGE CONTAINER REDEMPTION PROVISIONS.

Good afternoon Senator Finch, Representative Roy and members of the Environment Committee. My name is Jonathan S. Bilmes and I am the Executive Director of the Bristol Resource Recovery Facility Operating Committee and the Tunxis Recycling Operating Committee. These two organizations are made up of 16 towns and cities in Connecticut representing over 10% of the state's population. We are concerned with the safe, environmental and cost-effective disposal of municipal solid waste and recyclables. In addition, since our Board is comprised of Mayors, Selectmen and Town Managers, we also represent the direct interests of our taxpayers, both residential and commercial.

The Bristol Resource Recovery Facility Operating Committee and the Tunxis Recycling Operating Committee support all three of these bills.

- H.B. No. 7249 (RAISED) AN ACT CONCERNING THE COLLECTION AND RECYCLING OF COVERED ELECTRONIC DEVICES. ("NERC Bill).
- S.B. No. 1225 (RAISED) AN ACT CONCERNING THE RECYCLING OF ELECTRONIC DEVICES. ("California Bill).

We have been supporting comprehensive e-waste legislation since 2003. Both of the above e-waste proposals, while taking different approaches, will address quickly and cost-effectively the proliferating e-waste environmental problem. The electronic waste that is generated from obsolete computers is the most rapidly growing waste problem in the world and is a serious danger to public health and the environment.¹ DEP's recently released Solid Waste Management Plan acknowledges the need to dramatically change the way Connecticut manages its waste stream. Exports of

¹ Dear colleague letter from Mike Thompson and Anna Eshoo, Members of Congress.

003096

BRRFOC/TROC Testimony – February 28, 2007 - Page 2
Environment Committee Raised Bills No. 7249, 1225, 1289

municipal solid waste from Connecticut exceed 400,000 tons per year. Comprehensive new approaches to recycling and source reduction are needed to keep this export quantity from growing. Both e-waste bills will help change the attitudes of retailers, consumers and manufacturers toward management of electronic waste. We encourage you to support these e-waste bills. Some additional facts:

- The bills before you are consistent with legislation being proposed and enacted across the country.
- Companies in Europe and Asia are already implementing take-back programs, including companies that operate in the US but offer no similar programs here. We are getting second-class treatment from global corporations.
- Electronics production is one of the fastest-growing manufacturing industries in the world.
- Electronic waste is growing at three times the rate of other municipal waste²
- electronic waste (e-waste) contains many harmful substances which, when landfilled or burned, could result in releases to the environment.
- Consumer electronics make up a significant portion of the heavy metals in the waste stream.
- According to EPA, less than 15 percent of e-waste is reused or recycled.
- Significant amounts of e-waste are shipped to China, India and Pakistan or other developing countries where the products are disassembled or reused without adequate environmental safeguards.
- In Connecticut, the vast majority of organized e-waste recycling opportunities are sporadically provided by solid waste regions (and several municipalities) at taxpayer expense.
- Connecticut presently has no strategy or infrastructure to deal with the ever-growing amount of consumer electronics that are put at the curb.
- Manufacturers' mail-back programs are woefully inconvenient and expensive³.
- No financing mechanism exists to create and/or subsidize effective e-waste collection/recycling efforts.
- The cost to recycle a ton of consumer electronics in a typical municipal program is on the order of \$200-\$400/ton.
- In 2006, 54 separate e-waste issues were introduced in 27 states⁴.

We have one suggested change on H.B. No. 7249:

Line 312: no person shall knowingly place a covered.....

² Electronics: A New Opportunity for Waste Prevention, Reuse, and Recycling, US EPA Publication 530-F-01-006, June 2001.

³ Test of Manufacturer Mail-Back Programs, Prepared for Snohomish County Solid Waste Management Division, PRR, Seattle, WA, January 3, 2003.

⁴ Resource Recycling, December, 2006, p. 33.

BRRFOC/TROC Testimony – February 28, 2007 - Page 3
Environment Committee Raised Bills No. 7249, 1225, 1289

• **S.B. No. 1289 (RAISED) AN ACT CONCERNING THE EXPANSION OF THE BEVERAGE CONTAINER REDEMPTION PROVISIONS.**

The bottle bill works and the public supports it: Public Policy Associates, a national research firm based in Lansing, Michigan surveyed residents of New York State in January. The poll had a margin of error of +/- 3.5 percent and showed:

84 percent support the bottle bill; and
70 percent want to expand the bottle bill⁵

The public overwhelmingly supports the bottle bill and, yes, even the expansion of the bottle bill because:

- The bottle bill has succeeded in reducing litter.
- The bottle bill is a cost-effective and environmentally sound way to recycle bottles and cans.
- A number of needy citizens and non-profits use the income for noble purposes.
- More containers get recycled in a bottle bill state.
- With the proliferation of juice, water, tea and new age drinks consumed away from home, more containers are going to our modern waste to energy plants where they negatively impact the process by creating slag and extra ash residue. Further, at present, Connecticut's waste to energy plants are operating at capacity. Therefore, the space used to process the bottles and cans that end up in the trash result in more waste being shipped out of state at great taxpayer expense.
- Finally, the bottle bill has been successful in educating the public regarding the fact that environmentally sound end of life disposal/recycling of consumer products is not cheap. Consumers know that the bottle deposit goes toward recycling/reuse of the container. Shared product responsibility, where manufacturers, distributors, retailers and the public "share" in the recycling process is something we should be promoting not only for bottles and cans but for electronics, tires and all other difficult to dispose of waste materials. Expanding the bottle bill is a progressive step and totally consistent with modern thinking with respect to waste management and shared product responsibility.
- Expansion of the bottle bill with 80% of the new "escheats" going toward recycling grants to municipalities and regions will help us achieve the goals expressed in DEP's recently released Solid Waste Management Plan.

⁵ Waste News, March 1, 2004, p. 3.

003098



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**Testimony of the Connecticut Resources Recovery Authority
Michael R. Bzdyra, Government Relations Liaison
Re: Raised Bills 1225, 7249 and 1289
Before the Environment Committee
February 28, 2007**

Good morning, Senator Finch, Representative Roy and members of the Committee. My name is Michael Bzdyra and I am the Government Relations Liaison for the Connecticut Resources Recovery Authority. CRRA supports the concepts of Raised Bill 1225 – AN ACT CONCERNING THE RECYCLING OF ELECTRONIC DEVICES; Raised Bill 7249 – AN ACT CONCERNING THE COLLECTION AND RECYCLING OF COVERED ELECTRONIC DEVICES; and Raised Bill 1289 – AN ACT CONCERNING THE EXPANSION OF THE BEVERAGE CONTAINER REDEMPTION PROVISIONS.

CRRA has been and continues to be in the forefront of electronics recycling in our state. Since 1999, we have collected approximately three million pounds of used, obsolete electronic devices. Each spring and fall we hold a series of one-day electronics recycling collections throughout the state for CRRA member towns and their residents to safely remove and then recycle these items. The used electronics we collect include not only old televisions and computer monitors and their peripherals but also printers, VCRs, DVD players, radios, stereos, cell phones and other electronic equipment from the waste stream.

CRRA is doing its part to try to keep this material out of the solid waste stream to prevent it from entering our resource recovery facilities. These collection events are one of the most sought after services CRRA provides because Connecticut citizens recognize the importance of recycling these materials and want to protect the environment.

These specialized electronics collection services, however, are rather costly as CRRA pays approximately \$260 per ton to properly collect and recycle these used electronic items. CRRA is hopeful that the cost for this service will continue to decrease. CRRA competitively bids this service every two to three years and hopes that cost will continue to be less expensive for its member towns and citizens.

The cost for this service comes out of tip fees paid by all our member municipalities. As a result, whatever legislation moves through the legislative process, CRRA respectfully requests that any funding generated by either proposal include reimbursement to CRRA and its member towns.

The development of a statewide electronics recycling plan is important as this issue continues to grow. We believe that a statewide plan needs to be as convenient as possible for consumers and also address the sale of electronics sold to Connecticut residents over the Internet.

CRRA would be happy to work with the municipalities, solid waste organizations, environmental groups, manufacturers, retailers, and other stakeholders to continue to develop a plan which is based upon product stewardship and partnership.

CRRA recommends the following changes and comments are considered:

- CRRA currently accepts a far greater variety of used residential electronics than televisions and computer monitors. CRRA recommends the legislation cover a larger list of used electronics so that we can safely recycle a wider variety of devices, removing more electronics from the waste stream.
- CRRA believes there is no need to subsidize commercial generators. Raised Bill 1225 appears to allow the collected fees to be used to subsidize or cover the cost of commercial generators bringing their used electronics to an "authorized collector" free of charge. CRRA believes the fees should be used to promote collection of household electronics; that is, those electronics that are generated by residential households. Used electronics generated by commercial generators are managed as universal waste – these commercial generators are forced to recycle their electronics (or otherwise have to manage them as much more expensive hazardous waste).

Regarding Raised Bill 1289, AN ACT CONCERNING THE EXPANSION OF THE BEVERAGE CONTAINER REDEMPTION PROVISIONS, by extending the deposit to plastic water bottles should result in additional containers removed from the trash disposal system. CRRA is one of the strongest proponents of recycling and believes it is good public policy to try to remove and reuse recyclable material from the waste stream.

CRRA must note, however, that adding water bottles to the deposit system will result in a decrease in the plastics we process, and as a result, a decrease in revenues to CRRA. This type of plastic generated approximately \$1.3 million dollars per year in revenue last year at CRRA's two regional recycling facilities. Removing water bottles from the curbside recycling stream is estimated to reduce this revenue by \$200,000 to \$300,000 per year at CRRA's recycling facilities.

CRRA and its resource recovery projects are self-funded enterprises and as such we receive no state funding and therefore, must cover our expenditures. CRRA's Mid-Connecticut and Bridgeport Projects receive revenue from the sale of its recyclable commodities which help to keep down the cost of recycling as well as its trash tip fees. The end result is it allows CRRA on behalf of the towns to recycle other items that are difficult to recycle and manage, such as electronic waste, that would otherwise end up in the waste stream.

CRRA also supports the fact that this bill would recapture the unclaimed container deposits and allocate 80% of those funds to the municipalities to promote recycling. The DEP has recently proposed the state achieve a 58% recycling rate by 2024. This is an extremely aggressive and

003100

laudable goal which will require a substantial investment of state dollars if the current rate of 30% is to be increased. Increasing recycling is a worthwhile goal and you can be sure CRRA will continue to be a leader in recycling. But more recycling will cost more money and the towns will need those funds to expand their collection programs, build new facilities to process those materials, educate their residents, and do the other things necessary to achieve a greater rate of recycling. Without these funds, CRRA and the towns are concerned that DEP's proposed new solid waste management plan may be another unfunded mandate on the towns.

If the bottle bill is expanded and the escheats are not captured, the result would be a windfall of millions of more dollars to bottlers and distributors. CRRA urges the Legislature to use these escheats to strengthen our state's solid waste management and recycling programs.

Thank you for the opportunity to testify on these matters today. Now I'll be happy to try to answer any questions you may have.

003101

February 28, 2007



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Environment Committee

Electronics Recycling

Senator Finch, Representative Roy, and Environment Committee members,

Thank you very much for the opportunity to speak on a subject of growing importance and, thankfully, increased interest. The necessity of recycling electronic products at the end of their useful life is an issue of public health, and environmental protection. It is also an issue that can affect our state's economy in the short and long term negatively or, if addressed well, positively.

Last year, the Connecticut Recyclers Coalition would have been happy to support any e-waste bill brought before you. Since that time, however, we have researched the issue extensively. In extended dialogues with officials, advocates, industry representatives and technical recyclers, we have become convinced that the details of the program are what make it truly effective. Simply passing e-waste recycling legislation will not solve our problem.

As such we would like to voice our support for Raised Bill 7249, under consideration today. We also ask your consideration for Raised Bill 7123 which presents the DEP's framework for recycling our state's electronics.

Both of these bills include a "Shared Responsibility" model with substantial Producer Responsibility components. What this means, in non-recycler parlance, is that they follow the successful European pattern of manufacturers taking responsibility for the products they produce. This creates efficiencies by asking private industry to do what it does best...run effective operations involving transfers of goods.

Raised Bill 1225 follows the ARF Model. California passed its own version of ARF at the last minute when the stronger legislation encountered obstacles. ARF legislation creates a tax on electronics which is typically fed back to the government. It has created a bureaucracy in California and is likely to do so here. It requires retailers to levy the tax at the point of sale, a hindrance to Connecticut businesses. The Connecticut Retailers oppose ARF legislation.

Please review the attached fact sheet about e-waste collection. You will see that the needs of our state and citizenry will best be served by 7249 and 7123.

Thank you.

Cyril John May
President

***Why Shared Responsibility where the Producer Pays
is better than an ARF approach***

- 1. *Shared Responsibility gives manufacturers incentives to design products that are less toxic, longer-lived and easier to recycle, as they are already doing in Europe.***
Only manufacturers have the ability to design less-toxic products; governments and consumers can't control product design. Electronic products currently contain lead, mercury, brominated flame retardants, and other hazardous substances. When these products are landfilled, incinerated or shipped to developing nations, they pose a very real threat to human health and the environment. A producer-paid recycling program gives manufacturers a financial incentive to decrease their recycling and disposal costs by designing "greener" products: products with fewer toxics, ones that stay in use longer, and products that are easier to dismantle. Manufacturer responsibility for electronics has already taken hold in Europe and Japan, and manufacturers are voluntarily developing a system in Canada. The same electronics manufacturers are also selling products to U.S. citizens. We should receive the same level and quality of service as provided elsewhere.
- 2. *It's a non-tax solution.***
Citizens often perceive Advanced Recycling Fees – visible fees collected by government at the point of purchase – as a government tax. With manufacturers responsible for paying, the collection and recycling costs are "internalized" – included in the price of new products – rather than funded through taxes, solid waste fees or additional fees at the time products are discarded.
- 3. *Recycling becomes a cost of doing business.***
When manufacturers pay to recycle their products, recycling becomes a cost of doing business (just like supplies, salaries or pollution controls). The recycling costs will likely be included in the price of the product, and the price will be closer to telling the truth about the environmental cost of products.
- 4. *Manufacturers will use their business know-how to create innovative solutions that work for them, thus making the whole process more efficient.***
Producer Responsibility harnesses private market forces and private sector ingenuity to develop smart, efficient and effective recycling programs. Manufacturers plan and finance the programs, but are not expected to process the equipment or provide the collection services themselves. Instead, they enter into business-to-business arrangements with businesses and programs, such as private recyclers, charities, haulers, retailers, and government facilities. Producer Responsibility allows flexibility for manufacturers to decide how best to implement the recycling program given their individual business models. It also creates a level playing field, making it easier for manufacturers to do the right thing.
- 5. *Producer Responsibility avoids a big government bureaucracy.***
By establishing a recycling system entirely planned and paid for by manufacturers, there is no need for state or local governments to set up an expensive bureaucracy for collecting fees or to run and manage programs. State government is responsible for doing what it does best – oversight and enforcement. California's ARF program has 3.3 state employees per million population compared to 1.5 per million for Maine and .6 projected for Washington state.
- 6. *Consumers always ultimately pay – but costs will be driven lower.***
When manufacturers fund collection and recycling programs, the costs will likely get passed on to the consumer as a small increase in the product's price. However, market forces and efficiencies in the Shared Responsibility system will drive costs down. The same market forces that result in improved products at lower prices will be applied to the recycling of those products.

*Connecticut Recyclers Coalition
President, C.J. May, Yale Recycling Coordinator
Cyril.may@yale.edu*



Connecticut Recyclers Coalition Supports Shared Responsibility for E-Waste Recycling!

The Connecticut Recyclers Coalition is a group of corporate, municipal, institutional and private members working with recycling and related issues in Connecticut. Through meetings, phone conferences, document review and personal contacts, the CRC Electronics Working Group has examined existing programs in California, Maine, and Washington, and other proposals such as the Council of State Governments/NERC model. This extensive review has led us to support a Shared Responsibility model with a strong Producer Responsibility component as the model which will serve Connecticut citizens best.



What is Shared Responsibility?

- Manufacturer
 - Establishes and manages program
 - Pays for recycling
 - Competes for better efficiencies within government-set standards
- Government
 - Local gov't helps with education and collection
 - State, regional or federal sets standards and provides oversight
- Retailer
 - Assists with education and data collection
 - Does not sell non-compliant products
- Consumer
 - Disposes responsibly within established framework

Who Supports Shared Responsibility?

- | | |
|--|---|
| • Connecticut Department of Environmental Protection (DEP) | • State of Maine |
| • Hewlett-Packard (HP) | • State of Washington |
| • Dell (individual manufacturer responsibility.) | • Council of State Governments/Eastern Regional Conference/Northeast Recycling Council (CSG/NERC) |
| • Connecticut Retail Merchants Association | • Connecticut Recyclers Coalition |

Important components of E-waste legislation

- Convenient, accessible drop off locations (*key to maximizing recycling!*)
- No end-of-life fee for recycling (*key to maximizing recycling!*)
- No taxes or fees; manufacturers finance the system
- Minimal administration at all levels of government
- Limited or no cost to municipalities
- Mandatory participation by manufacturers or can't sell in State
- Dependent infrastructure established
- No creation of new "orphan" wastes
- Total program must drive toward more recycling and better efficiencies, not just handling waste



How will it work?

There are several ways Shared Responsibility can be financed. Each process below built upon the experiences of the previous ones.

- Maine Program — Financing based on return share. Recyclers count by brand; manufacturers are billed directly.
- Washington Law — Financing based on sample of return share to determine percentage each plan must pay for. Then manufacturers determine how to charge themselves based on market share, return share, or other financial assurances.
- CSG/NERC Model (HB5453) — Model program for Northeast area. Financing based on market share run by Third Party Organization (TPO) or State (CRC strongly prefers a TPO).

Mixed Financing Model— Most financing mechanisms in their purest form will create winners and losers. Consider, for example, the lifespan of the typical TV compared to the lifespan of a laptop and that effect on market share vs. return share. CRC believes that after choosing a core financing model, modifications can be made to minimize inequities. Regulatory review with all the stakeholders will be required to work out the details.

Why Shared Responsibility with manufacturers paying and not an Advanced Recycling Fee (ARF)?*

- Shared Responsibility gives manufacturers incentives to design products that are less toxic, longer-lived and easier to recycle, as they are already doing in Europe.
- It's a non-tax solution.
- Recycling becomes a cost of doing business.
- Manufacturers will use their business know-how to create innovative solutions that work for them, thus making the process more efficient.
- Shared Responsibility avoids a big government bureaucracy.
- Consumers always ultimately pay — but costs will be driven lower.

* See handout for details

Thank you for supporting recycling!

For more information contact:

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ASSISTANT MAJORITY WHIP

MEMBER
BANKS COMMITTEE
FINANCE, REVENUE AND BONDING COMMITTEE
PUBLIC HEALTH COMMITTEE

TESTIMONY IN SUPPORT OF HB 7249,

AAC THE COLLECTION and RECYCLING of COVERED ELECTRONIC DEVICES,

AND

HB 5453, AAC RECYCLING AND COLLECTION OF ELECTRONIC DEVICES

Representative Roy, Senator Finch and members of the Environment Committee;

Thank you for the opportunity to testify before you today on the subject of the recycling of electronic waste. According to the EPA, televisions and older computer monitors each contain between 4-8 pounds of lead among other toxic materials. Newer flat screen monitors contain mercury which is a neurotoxin when released into the environment.

The EPA has called electronic waste the nation's fastest growing category of solid waste. In the absence of federal policy to regulate its disposal, states have taken the leadership in addressing a solution. HB 7249 and pHB 5453 are the result of a 14 month intensive process led by the Council of State Governments (CSG) and the Northeast Recycling Council (NERC) working with representatives of 10 northeastern states, the U.S. Virgin Islands, Puerto Rico and Quebec. Stakeholders from all affected entities, including manufacturers, retailers, recyclers, citizen organizations and others were actively involved in the process.

Representative Roy, a representative from Sen. Duff's office and I met with CSG members and these stakeholders at an all day meeting in New York City in April of 2005 to try to work out a regional approach to the e-waste issue. Our goal was to reach consensus on a plan that was uniform throughout our region to avoid a patchwork of state

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policies that would be difficult for manufacturers to deal with and to provide the framework for a national model, as well.

Our deliberations centered around two approaches to the issue; a Manufacturer Responsibility model and an Advanced Recycling Fee (ARF) model. The manufacturer responsibility approach essentially requires the manufacturers of the covered electronics to cover the cost of collecting and recycling their products or to set up and operate a "take back" system. The ARF approach is to charge a fee to the consumer at the point of sale which goes into a fund administered by the state to assist municipalities with the costs of collection and recycling.

The CSG/NERC group concluded that the manufacturer responsibility model was more proactive in engaging the manufacturers to be responsible for the end-of-life of their products and would provide an incentive for designing products that are less toxic and lend themselves to recycling.

The ARF approach is an additional cost to the consumer, creates a burden on retailers, establishes a complicated government bureaucracy for collection and distribution of funds and leaves the manufacturers free of any responsibility for the end-of-life of their products. There is also no guarantee that the fund will not be diverted to other pressing needs of the state as we in Connecticut have, unfortunately, experienced with the Conservation and Load Management Fund.

In moving forward with formulating a policy for Connecticut, the Environment Committee must first decide which approach best meets our needs and ensures that e-waste is properly recycled or disposed of in a way that avoids a significant threat to public health and the environment.

The European Union already has laws in place that restrict the use of hazardous materials in computers and bans hazardous waste exports. States such as Maine, Maryland and Washington have already passed shared responsibility legislation and similar initiatives are being discussed in several states.

I firmly believe that the manufacturers should share the responsibility for the end-of-useful life of these products and encourage the Committee to support this approach. (Forgive me for this)- ARF barks up the wrong tree!

Model Electronic Recycling Legislation***An Act Providing for the Recovery and Recycling of
Used Electronic Devices***

Purpose: The purpose of the Act is to establish a comprehensive recycling system that ensures the safe and environmentally sound management of electronic devices and components and that encourages the design of electronic devices and components that are less toxic and more recyclable; and promotes the development of a statewide infrastructure for collection and recycling of end-of-life electronics.

Section 1: Definitions

For the purposes of this Act, the following terms have the following meanings:

(a) "Agency" means the [State Environmental Agency]

(b) "Cathode ray tube" or "CRT" means a vacuum tube or picture tube used to convert an electronic signal into a visual image.

(c) "Computer" means an electronic, magnetic, optical, electrochemical, or other high-speed data processing device performing logical, arithmetic, or storage function, and may include both a computer central processing unit and a monitor, but such term does not include an automated typewriter or typesetter, a portable handheld calculator, a portable digital assistant, or other similar device.

(d) "Consumer" means an individual who purchases a covered electronic device in a transaction that is a retail sale.

(e) "Covered Electronic Device" (CED) for the purposes of this Act means desktop/personal computers, computer monitors, portable computers, CRT-based televisions, and non-CRT-based televisions sold to consumers.

"Covered electronic device" does not include any of the following:

- i. A covered electronic device that is a part of a motor vehicle or any component part of a motor vehicle assembled by, or for, a vehicle manufacturer or franchised dealer, including replacement parts for use in a motor vehicle.
- ii. A covered electronic device that is functionally or physically a part of a larger piece of equipment designed and intended for use in an industrial, commercial, or medical setting, including diagnostic, monitoring, or control equipment.
- iii. A covered electronic device that is contained within a clothes washer, clothes dryer, refrigerator, refrigerator and freezer, microwave oven, conventional oven or range, dishwasher, room air conditioner, dehumidifier, or air purifier.
- iv. Telephones of any type unless they contain a video display area greater than 4" measured diagonally.

(f) "Covered electronic recycler" is one that is approved by the Agency for compensation.

(g) "Manufacturer" means any person who, either as of the effective date of this legislation or thereafter, and irrespective of the selling technique used, including by means of remote sale: 1) manufactures covered electronic devices under its own brand for sale in this State; 2) manufactures covered electronic devices for sale in this State without affixing a brand, 3) resells in this State covered electronic devices produced by other suppliers under its own brand or label; or 4) imports or exports covered electronic

devices into the United States for sale in this State. However, if a company from whom an importer purchases the merchandise has a U.S. presence and/or assets, that company shall be deemed to be the manufacturer; or, 5) manufactures covered electronic devices, supplies them to any person or persons within a distribution network that includes wholesalers or retailers in this State, and benefits from the sale in this State of those covered electronic devices through that distribution network.

(h) "Manufacturer's brands" means a manufacturer's name, brand name, or brand label, and all manufacturer's names, brand names, and brand labels for which the manufacturer has legal responsibility, including those names, brand names, and brand labels of companies that have been acquired by the manufacturer.

(i) "Monitor" means a separate video display component of a computer, whether sold separately or together with a computer central processing unit/computer box, and includes a cathode ray tube, liquid crystal display, gas plasma, digital light processing, or other image projection technology, greater than four inches when measured diagonally, and its case, interior wires and circuitry, cable to the central processing unit, and power cord.

(j) "Obligation" means the quantity of covered electronic devices, by weight, identified for an individual manufacturer, as defined by the Agency under Section 8 of this Act.

(j) "Person" means an individual, trust firm, joint stock company, business concern, and corporation, including, but not limited to, a government agency, partnership, limited liability company, or association.

(k) "Portable computer" means a computer and video display greater than four inches in size that can be carried as one unit by an individual (e.g., a laptop computer).

(l) "Purchase" means the taking, by sale, of title in exchange for consideration.

(m) "Recycling" means any process by which covered electronic devices that would otherwise become solid waste or hazardous waste are collected, separated, and processed to be returned to use in the form of raw materials or products, in accordance with environmental standards established by the Agency.

(n) "Registrant" means a manufacturer of covered electronic devices that is in full compliance with the requirements of this Act.

(o) "Retail sales" includes sales of products through sales outlets, via the Internet, mail order, or other means, whether or not the seller has a physical presence in this State.

(p) "Retailer" means a person who owns or operates a business that sells new covered electronic devices in this State by any means to a consumer.

(q) "Sell" or "sale" means any transfer for consideration of title, including, but not limited to, transactions conducted through sales outlets, catalogs, or the Internet, or any other, similar electronic means, and excluding leases.

(r) "State recycling rate" means the ratio of the weight of total overall returns of CEDs in the State to the weight of total overall sales of CEDs in the State during the previous calendar year.

(s) "Television" means a stand-alone display system containing a CRT or any other type of display primarily intended to receive video programming via broadcast, having a viewable area greater than four inches when measured diagonally, able to adhere to standard consumer video formats such as PAL, SECAM, NTSC, and HDTV and having the capability of selecting different broadcast channels and support sound capability.

(t) "Video Display" means an output surface having a viewable area greater than four inches when measured diagonally that displays moving graphical images or a visual representation of image sequences or pictures, showing a number of quickly changing images on a screen in fast succession to create the illusion of motion, including, if applicable, a device that is an integral part of the display (and cannot be easily removed from the display by the consumer) that produces the moving image on the screen. Displays typically use a cathode ray tube (CRT), liquid crystal display (LCD), gas plasma, digital light processing, or other image projection technology.

Section 2: Scope of Products

The scope of products is the same as "Covered Electronic Devices". [The scope of products may be modified by _____].

Section 3: Sales Prohibition

(1) A manufacturer not in compliance with all financial and other requirements of this Act is prohibited from offering a covered electronic device for sale in this State.

(2) It shall be unlawful for any entity to offer for sale in this State a new covered electronic device from a manufacturer that is not in full compliance with the requirements of this Act. The Agency shall maintain a list of all manufacturers in compliance the requirements of this Act and post the list on an Internet website. Sellers of products in or into the State shall consult the list prior to selling covered electronic devices in this State. A seller shall be considered to have complied with this responsibility if, on the date that the product was ordered from the manufacturer or its agent, the manufacturer was listed as being in compliance on the aforementioned website.

Section 4: Labeling Requirement

On and after the effective date of this Act, a manufacturer or retailer may not sell or offer for sale a covered electronic product in the State unless it is labeled with the manufacturer's brand, and the label is permanently affixed and readily visible.

Section 5: Reporting and Registration

(1) Manufacturers of covered electronic devices shall report to the Agency by January 30 of each year the total weight of CEDs sold in the State the previous calendar year. In lieu of providing the total weight of CEDs sold in the State the previous calendar year, a manufacturer may request that the Agency calculate the total weight of CEDs sold in the State by using prorated national sales data based on State population.

(2) Each manufacturer of covered electronic devices shall register with the Agency by January 30 of each year and pay a registration fee of \$5,000.

Section 6: Manufacturer Responsibility

(1) Manufacturers of CEDs sold in the state must submit an additional fee based on sales in the State to the Agency. The fee shall be calculated using the following formula: the State recycling rate multiplied by the weight of sales of the manufacturer's covered electronic devices sold in the State during the previous calendar year, multiplied by no more than \$0.50 per pound.

(2) In lieu of payment of the fee set forth in paragraph 1 above, a manufacturer or a group of manufacturers may submit a plan to collect, transport, and recycle CEDs.

(3) An individual manufacturer submitting a plan in lieu of payment of the fee set forth in paragraph 1 above must collect, transport, and recycle a quantity of CEDs equal to the weight of sales of the manufacturer's covered electronic devices in the State during the previous calendar year multiplied by the State recycling rate.

(4) A group of manufacturers jointly submitting a plan in lieu of payment of the fee set forth in paragraph 1 above must collect, transport, and recycle the sum of the obligations of each participating manufacturer.

(5) The plan shall be filed with a manufacturer's annual registration, and shall include at a minimum:

- i. Methods that will be used to collect the CEDs including the name and locations of all collection and consolidation points.
- ii. An estimate of the amount of CEDs that will be collected annually.
- iii. The processes and methods that will be used to recycle recovered CEDs including a description of the disassembly, physical recovery operation (e.g., crushing, shredding, grinding, glass-to-glass recycling) and /or other operations that will be used. Include the name and location of all facilities to be utilized.
- iv. Documentation of audits of each processor used in the plan and compliance with processing standards established under Section 11 of this Act.
- v. A description of the accounting and reporting systems that will be employed to track progress toward fulfilling the plan's obligations.
- vi. Means that will be utilized to publicize the collection opportunities.
- vii. The intention of the registrant to fulfill its obligations through operation of its own program, either individually or in partnership with other manufacturers.
- viii. The total weight of CEDs collected, transported and recycled the previous year.

(6) Before the fee set forth in paragraph 1 above may be waived, the plan must be reviewed and approved by the Agency. Upon approval of the plan by the Agency, the manufacturer payment of the annual fees based upon sales will be waived. The Agency may reject the plan in part or in whole and may impose additional requirements as a condition of approval.

(7) If a manufacturer fails to comply with all the conditions and terms of an approved plan, it will be required to submit the following:

- i. A payment to the Agency to cover the cost of collecting, transporting, and recycling the unmet portion of its obligation. The payment shall be equal to the following formula: the quantity of the outstanding portion, in pounds, multiplied by no more than \$0.50, and
- ii. A penalty in the form of a payment equal to the cost of collecting, transporting and recycling 10% of the manufacturer's total obligation.

(8) Manufacturers that collect, transport, and recycle CEDs in excess of their obligation may sell "credits" to another registrant or apply that excess to the following year's recycling obligation.

Section 7: Retailer Responsibility

(1) A retailer must clearly post and provide information provided by the Agency that describes where and how to recycle the covered electronic device and opportunities

and locations for the collection or return of the device, through the use of a toll-free telephone number and website, information included in the packaging, or information provided accompanying the sale of the covered electronic device. This information shall be provided in clear written form in English and any other languages deemed to be primary languages by the State Department of Education.

(2) A retailer shall only sell products from registrants. Retailers shall consult the list described in Section 3 prior to selling covered electronic devices in this State. A retailer shall be considered to have complied with this responsibility if on the date that the product was ordered from the manufacturer or its agent, the manufacturer was listed as being in compliance on the aforementioned website.

Section 8: Agency Responsibility [States may wish to designate a third-party organization to assume some or all of the responsibilities contained in this section]

(1) By February 15 of each year, the Agency shall establish the State recycling rate, by calculating the ratio of the weight of total overall returns of CEDs in the State to the weight of total overall sales of CEDs in the State during the previous calendar year.

(2) By March 1 of each year, the Agency shall provide each registrant with its responsibility for fees from sales or for collection, recycling, and transportation in pounds for that year.

(3) The Agency shall receive fees as described in Section 6 from manufacturers for the sale of covered electronic devices.

(4) The Agency must organize, administer, and ensure that at least one electronics collection opportunity is available at least five (5) days a week in each county throughout the State and in such a manner as to be convenient, to the maximum extent feasible, to all consumers in the County.

(5) The Agency shall ensure that collection sites do not place limits on the number of covered electronic devices permitted for drop-off by consumers.

(6) The Agency shall encourage the use of existing collection and consolidation infrastructures for handling CEDs to the extent that this infrastructure is accessible on a regular and ongoing basis to at least 85% of the population of the State, is cost effective, and meets the environmentally sound management requirements of Section 11.

(7) The Agency shall maintain a list of registrants and post the list on an Internet website that is updated at least once a month.

(8) The Agency shall organize and coordinate public education and outreach.

(9) The Agency shall use the revenues received from registrants for the sole purpose of fulfilling its responsibilities under this Act. In the event that expenses from administration, education, collection, transportation, and recycling activities exceed receipts, the Agency may borrow up to ten percent of the projected annual State revenues from fees submitted under this Act from outside sources. Borrowed funds must be repaid within two years.

(10) The Agency shall prepare a plan every three years that:

- i. establishes per-capita collection and recycling goals, and.
- ii. identifies any necessary State actions to expand collection opportunities to achieve the per-capita collection and recycling goals.

That plan shall be posted on the Agency website and sent to the Legislature.

(11) The Agency shall annually report:

- i. A list of all parties that the Agency has designated as approved to receive payments for collection, transportation, or recycling, the amount of payments it has made to those parties, and the purpose of those payments.
- ii. The total weight of CEDs collected in the State the previous calendar year.
- iii. The total weight of CEDs sold in the State the previous calendar year.
- iv. Progress toward achieving the overall annual total recovery and recycling goals described in the plan described in Section 8, above.
- v. A complete listing of all collection sites operating in the State in the prior calendar year, the parties that operated them, and the amount of material by weight collected at each site.
- vi. An evaluation of the effectiveness of the education and outreach program
- vii. An evaluation of the existing collection and processing infrastructure.

(12) The Agency shall annually post the report on its website.

(13) The program implemented to effect the provisions of this Act and its associated regulations shall be fully audited by an independent, certified public accountant at the end of each calendar year and said audit report submitted to the Legislature.

(14) The Agency shall maintain a website and toll-free number complete with up-to-date listings of where consumers can bring covered electronics products for recycling under this Act.

(15) The Agency shall not be held financially liable or responsible for any violation of federal, state, or local law by any entity to whom the Agency makes payment pursuant to Section 10.

(16) No more frequently than annually and no less frequently than biennially, the Agency shall review, at a public hearing, the CED recycling and registration fee(s). Recommended changes to the covered electronic device recycling rate and registration fee(s) shall be included in the annual report.

Section 9: Fees for the Collection or Recycling of Covered Electronic Products

No fees or costs may be charged to consumers for the collection, transportation, or recycling of covered electronic products.

Section 10: Reimbursement for Collection, Transportation, and Recycling

(1) The Agency shall engage in competitive bidding for the collection, transportation, and recycling of covered electronic devices.

(2) The Agency shall make covered electronic device payments for the collection, transportation, and recycling of covered electronic devices to an authorized or approved entity upon receipt of a completed and verified invoice submitted to the Agency in the form and manner determined by the Agency.

a. In order to receive payment, proof will be required:

- i. That the covered electronic device was collected from a consumer who is a resident of the State or is otherwise located in the State, or who provides evidence that the device was purchased in the State after the effective date of this Act.

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- ii. That the collection, transportation, and recycling of the CED was conducted in accordance with all local, state, and federal laws, including the requirements created by this Act, and its associated regulations.
- b. No fees or costs were charged to the consumer.

Section 11: Environmentally Sound Management Requirements

- (1) Covered electronic devices collected through any program in [State], whether by manufacturers, retailers, for-profit or not-for profit corporations, units of government, or organized by the Agency, must be recycled in a manner that is in compliance with all applicable federal, state, and local laws, regulations, and ordinances, and must not be exported for disposal in a manner that poses a significant risk to the public health or the environment.
- (2) The Agency shall establish performance requirements in order for collectors, transporters, and recyclers to be eligible to receive funds from the Agency. All entities shall, at a minimum, demonstrate compliance with the United States Environmental Protection Agency's (EPA) Plug-In to eCycling Guidelines for Materials Management as issued and available on the EPA's website in addition to any other requirements mandated by state or federal law.
- (3) The Agency shall maintain a website that shall include a list of entities and organizations that it has determined have met these performance standards.

Section 12: Disposal Ban

Two years after enactment of this law, it shall be illegal for any person to place in municipal solid waste a covered electronic device or any of the components or subassemblies thereof in any solid waste disposal facility.

Section 13: Enforcement

- (1) The State including its Attorney General and the Agency shall be authorized to initiate independent action to enforce any provision of this law, including failure by the manufacturer to remit the fee to the Agency. Any funds awarded by the court shall be used first to offset enforcement expenses. Money in excess of the enforcement expenses shall be deposited with the Agency.
- (2) An offense shall be considered:
 - (i) the sale of a new CED by any person that is not in full compliance with the provisions of this Act.
 - (ii) application for compensation for the collection, transportation and recycling of covered electronic products not collected within the state, or region as provided in Section 16.
 - (iii) use of a qualified collection program to recycle covered electronic products not discarded within the state, or region as provided in Section 15.
 - (iv) the knowing failure to report or accurately report any data required to be reported to the Agency by this Act.
 - (v) non-payment of fees.

Section 14: Regulatory Authority

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The Agency may adopt rules and regulations as shall be necessary for the purpose of administering this Act.

Section 15: Multi-State Implementation

The Agency is authorized to participate in the establishment and implementation of a regional, multi-state organization or compact to assist in carrying out the requirements of this Act.

Section 16: Relation to Federal Law

This Act is intended to govern all aspects of the collection and recycling of covered electronic devices as those terms are defined herein. Upon the implementation of an acceptable national program to collect and/or recycle covered electronic devices, the provisions of this Act shall sunset within the timeframe determined by federal law.

Section 17: Effective Date

Unless otherwise specified, this Act shall take effect on January 1, 2007.

Section 18: Severability Clause

The provisions of this Act shall be severable, and if any part of this Act is declared to be invalid or void by a court of competent jurisdiction, the remaining portion shall not be affected, but shall remain in full force and effect and shall be construed to be the entire Act.

**Discussion Document for Model Electronic Recycling Legislation:
An Act Providing for the Recovery and Recycling of Used Electronic Devices**

April 2006

I. Introduction

In February 2005, the Council of State Governments/Eastern Regional Conference (CSG/ERC) and the Northeast Recycling Council (NERC) launched a collaborative project to develop a coordinated legislative approach to end-of-life electronics management in the Northeast. As part of the project, CSG/ERC and NERC facilitated an effort among legislators, legislative and state environmental agency solid waste management staff from ten states¹, the U.S. Virgin Islands, Puerto Rico, and Québec to craft model legislation. Following an intensive 14-month effort, the group has released model legislation: *An Act Providing for the Recovery and Recycling of Used Electronic Devices*.

Currently, there is no national program to address the proliferation of electronic waste in a comprehensive manner. Four states -- California, Maine, Maryland, and Washington -- have passed laws that mandate different approaches to financing and administering electronics end-of-life management systems. More than twenty other states have introduced legislation governing electronic waste. Many state officials and stakeholders in the Northeast agree that in the absence of a national program, a coordinated regional effort is preferable to having a patchwork of laws and regulations resulting in increased management and compliance costs and decreased recycling opportunities.

The idea for the regional electronics legislation project first arose in the fall of 2004, during a discussion among several members of the CSG/ERC Energy & Environment Committee. Committee members, concerned with the lack of comprehensive programs to collect, reuse, process, and recycle discarded computers, televisions, and other electronic devices in their states, requested that CSG/ERC facilitate a process to help legislators develop a coordinated legislative effort to address these issues in the region. CSG/ERC invited NERC, a non-profit organization that operates in the same ten Northeastern states as CSG/ERC, to collaborate on the project.

During the course of the project, CSG/ERC and NERC sought to forge consensus among state participants on the scope and content of electronics legislation. CSG/ERC and NERC staff facilitated a series of bi-monthly conference calls in which state participants debated key elements of electronics management systems. Participants also solicited input from electronics manufacturers, retailers, recyclers, leasing companies, reuse organizations, environmental groups, and local government representatives through two multi-stakeholder meetings, plus additional single stakeholder meetings and conference calls. These gatherings granted stakeholders the opportunity to explain what they wished to have included in regional legislation governing electronics end-of-life management, and to provide comments on two full draft legislative proposals and one partial draft that were released to the public. State participants, in turn, made

¹ Connecticut, Delaware, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont.

a concerted effort to incorporate the suggestions provided by stakeholders. The final legislative proposal is the result of this 14-month-long process.

It should be noted that the more than 50 legislators, legislative, and state environmental agency staff that contributed to this effort during the course of more than a year represent a multiplicity of interests. Many expressed differing opinions regarding the provisions included in the final legislative proposal, as well as those that ultimately were not included. It is generally understood among participants that if the legislation is filed in different states, many of those provisions will be modified to suit the needs of the inhabitants of those states. Participants agreed, however, that the financing mechanism should be similar across states if government and stakeholders are to reap the benefits of coordinated end-of-life electronics management – including reduced compliance costs for manufacturers, lower management costs for government, and increased recycling opportunities and efficiencies. The legislation was crafted to provide the opportunity for coordinated multi-state end-of-life programs.

The purpose of this discussion document is to provide background about legislators' and other state participants' deliberations regarding some of the key issues that were raised during the process of drafting the model regional electronics legislation.

II. Key Discussion Issues

A. Scope of Products (Section 1 (e)): Participants in the CSG/ERC – NERC effort generally agreed to limit the scope of covered electronic devices (CEDs) in the final legislative model to desktop and personal computers, computer monitors, laptops, and televisions. The legislation includes an option for either the legislature or the state regulatory agency to expand the scope of regulated products as they see fit. (Please see Section 2).

B. Financing Mechanism (Sections 5 & 6): Legislators felt strongly that the financing mechanism for an end-of-life electronics management system must not impose direct fees on the consumer, and that the financial responsibility must rest with the manufacturers. After much discussion, the legislators determined that retailers should not be involved in the collection of fees. Other priorities were to create a simple and equitable system for covering orphan waste, to ensure that minimal burden is placed on municipalities for the collection and transport of used electronics to consolidation or processing centers, and that existing infrastructures are incorporated into new statewide programs. In addition, many legislators wished to create a financial incentive for the development of manufacturer-run programs.

In order to address all of these criteria, a compromise solution was crafted: manufacturers of CEDs would be required to report on sales (or request that the state agency calculate their sales on their behalf); pay an annual registration fee; and either pay for the cost of collecting, transporting, and recycling their total obligation (or share) of CEDs, by weight, or implement take-back programs that result in the collection, transportation, and recycling of their total obligation. Manufacturer obligation is based on the annual sales, by weight, of CEDs in the previous year multiplied by the state recycling rate for electronics.

Additional detail is as follows:

1) Reporting and Registration (Section 5): The model legislation requires all manufacturers of CEDs to register annually with the agency and pay a \$5,000 registration fee; and report to the agency the total weight of CEDs sold in the state during the previous year. Alternatively, a manufacturer could request that the agency calculate the total weight of CEDs it sold in a state using prorated sales data based on state population.

Many manufacturers have indicated that they do not possess state-specific sales data for their products, and that it cannot be obtained. In an effort to facilitate the collection of such data, state participants proposed during the fall of 2005 that retailers report directly on their sales of CEDs in a state, by brand, to the state agency. Retailers indicated that they would oppose such a requirement. Nevertheless, in recent weeks, a trade association that represents several national retail chains has expressed support for a reporting requirement in which retailers would provide data on their sales of CEDs in a state to manufacturers or suppliers. Under such an arrangement, suppliers would be required to remit the data to manufacturers, and manufacturers would report the data to the agency. State officials may wish to consider including this retailer reporting requirement in electronics legislation.

2) Manufacturer Responsibility (Section 6): In addition to the annual registration fee and reporting requirement, manufacturers would have the option of either: 1) paying a fee to cover the cost of collecting, transporting, and recycling their share, based on their retail sales by weight; or 2) collecting, transporting, and recycling it themselves.

A manufacturer's total responsibility for collection and recycling would be determined as follows:

- First, the agency sets a state recycling rate. The state recycling rate is equivalent to the ratio of the weight of total overall returns of covered electronic devices in the state to the weight of total overall sales of CEDs in the state during the previous calendar year.
- A manufacturer is required to either:
 - a) Pay a fee calculated as:
 - The state recycling rate multiplied by the weight of the manufacturer's CEDs sold in the state during the previous calendar year, multiplied by no more than \$0.50 per pound; or
 - b) Collect, transport, and recycle a quantity of CEDs equal to the weight of the manufacturer's CEDs sold in the state during the previous calendar year, multiplied by the state recycling rate.

In order to be eligible for option "b" above, the manufacturer must submit a plan for such a program that is approved by the agency. If a manufacturer fails to comply with all of the terms of an approved plan, it must submit a payment to cover the cost of collecting and recycling the unmet portion of its obligation, plus a penalty payment.

- Manufacturers can obtain credits if they collect and recycle in excess of their obligation, and apply them to their obligation the following year, or sell them.
- No end-of-life fees of any type are permitted.

In theory, use of the state recycling rate as defined above should provide for the collection, transportation, and recycling of all discarded CEDs in a state in a given year. It should be noted that, in lieu of utilizing the state recycling rate, some state participants have indicated that they may prefer to opt for a fee based on total sales, by weight – or on a specific percentage of sales different from that derived from the above state recycling rate calculation. However, fees would still be based on sales, rather than on materials collected at the end-of-life.

3) Agency Responsibility (Section 8): The state agency would manage all funds and administer statewide collection and recycling programs. States could opt, however, to have the agency designate a third-party organization (TPO) to provide those services, depending on the inclination of each particular state. The agency would also be authorized to participate in the establishment and implementation of a regional, multi-state organization or compact to do the same.

C. Disposal Ban (Section 13): The legislation calls for a ban on disposal of CEDs in a municipal solid waste landfill two years following enactment. Some participants favored shortening the period from two years to as few as 90 days.

D. Phaseout of Toxic Constituents: Some legislative participants felt that the legislation should require a phaseout of toxic constituents. Participants discussed the possibility of mandating compliance with the provisions of Directive 2002/95/EC of the European Parliament on the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment (RoHS Directive), as is required in California's e-waste legislation, established by passage of SB 20 in 2003. RoHS would ban the use of certain hazardous substances in electronic equipment, with some important exemptions.

However, many participants were uncomfortable with the notion of requiring compliance with an EU directive. In addition, it is generally believed that, since all manufacturers who sell their products in the European Union must comply with RoHS when it takes effect in mid-2006, major electronics producers will be compelled to phase out their use of toxins in the coming months regardless of U.S. state mandates.

The compromise decision, therefore, was for the model legislation to remain silent on this issue.

III. Next Steps

The final legislative proposal represents the best efforts of a broad group of state participants from the Northeast region to reach consensus on a coordinated legislative proposal governing end-of-life electronics management. It is our hope that this proposal will serve to inform and guide state officials and their staff as they continue to address the complexities of this critical policy issue going forward.

The Council of State Governments/Eastern Regional Conference · The Northeast Recycling Council, Inc.

Key Elements of Model Electronic Recycling Legislation

An Act Providing for the Recovery and Recycling of Used Electronic Devices

1. Scope of Products

- Desktop/personal computers
- Computer monitors
- Portable computers (laptops)
- CRT-based televisions
- Non-CRT-based televisions

Does not include:

- Motor vehicle components.
- Industrial, commercial, or medical equipment, including diagnostic, monitoring, or control equipment.
- Clothes washer, clothes dryer, refrigerator, refrigerator and freezer, microwave oven, conventional oven or range, dishwasher, room air conditioner, dehumidifier, or air purifiers; or
- Telephones of any type unless they contain a video display area greater than 4" measured diagonally.

2. Whose Products Are Covered?

- Covered electronic devices (CEDs) purchased by individuals in retail sales.

3. Funding Mechanism

- All manufacturers are required to pay a \$5,000 annual registration fee.
- Additionally, manufacturers must either pay a fee to cover the cost of collection, transportation, and recycling of their total obligation, or collect, transport, and recycle the equivalent amount themselves.

Here is how the manufacturer obligation (or share) is determined:

- First, the Agency sets a State recycling rate. The State recycling rate is equivalent to the ratio of the weight of total overall returns of CEDs in the State to the weight of total overall sales of CEDs in the State during the previous calendar year.
- A manufacturer is required to either:
 - a) Pay a fee calculated as:
 - The State recycling rate multiplied by the weight of the manufacturer's CEDs sold in the State during the previous calendar year, multiplied by no more than \$0.50 per pound; or
 - b) Collect, transport, and recycle a quantity of CEDs equal to the weight of the manufacturer's CEDs sold in the State during the previous calendar year, multiplied by the State recycling rate.

In order to be eligible for option "b" above, the manufacturer must submit a plan for such a program that is approved by the state Agency. If a manufacturer fails to comply with all of the terms of an approved plan, it must submit a payment to cover the cost of collecting, transporting, and recycling the unmet portion of its obligation, plus a 10% penalty.

- Manufacturers can obtain credits if they collect, transport, and recycle in excess of their obligation – and apply the credits to their obligation in the following year, or sell them.
- No end-of-life fees are permitted.

4. Management of Funds
State Agency.

5. Manufacturer Responsibility

- Annual reporting of total CEDS sold in State, by weight.
- Annual registration and payment of \$5,000 registration fee.
- Additionally, either:
 - Annual payment of fee covering the cost of collection, transportation, and recycling of its obligation; or
 - Establishment and implementation of a program that collects, transports, and recycles the total amount of its obligation. A manufacturer may establish a program in cooperation with other manufacturers.

6. Retailer Responsibility

- Only sell products of manufacturers that are in full compliance with law.
- Post and provide public information that describes where and how to recycle the covered electronic device and opportunities and locations for the collection or return of the device.

7. State Agency Responsibility (States may wish to designate a third-party organization to assume some or all of the following responsibilities)

- Establish annual State recycling rate.
- Annually provide each manufacturer with its responsibility (obligation) for fees from sales or for collection, recycling, and transportation in pounds for that year.
- Collect and administer fees.
- Organize, administer, and ensure that at least one collection opportunity is available at least five days a week in each county throughout the State.
- Encourage the use of existing collection and consolidation infrastructure for handling CEDs.
- Maintain a website listing manufacturers in full compliance with law and post the list on a website that is updated at least once a month.
- Organize and coordinate public outreach.
- Prepare a plan once every three years that establishes per capita recycling goals, and identifies any State actions needed to expand collection opportunities to meet those goals.

003121

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- Provide annual reports on the program to the Legislature, and post the reports on the Agency website.
- Establish performance requirements for collectors, transporters, and recyclers eligible to receive funds.
- Make payments to qualified entities for collection, transportation, and recycling of CEDs.
- Make recommendations for adjustments in the CEDs recycling and registration fees in its annual report.
- At least every two years, review, at a public hearing, the CEDs recycling and registration fees.
- The program will be fully audited at the end of each calendar year, with the report submitted to the Legislature.

8. Disposal Ban

- Two years after date of enactment.

9. Enforcement

- State Agency
- Attorney General

JOINT
STANDING
COMMITTEE
HEARINGS

ENVIRONMENT

PART 11
3377-3693

2007

003576

27
jlm

ENVIRONMENT

March 9, 2007

REP. ROY: Our next speaker is Commissioner Gina McCarthy of the Department of Environmental Protection, and her team.

COMM. GINA MCCARTHY: Mr. Chairman, Members of the Committee, I appreciate the opportunity to be here. Before the collective groan happens, I will tell you that we are prepared to be as crisp and short as we possibly can be.

We're going to try, each of us, to keep our presentations to no more than three to five minutes, if you can deal with us that long. We'll just digest the bills, so you have a new face to look at.

Hopefully, we'll walk through these very quickly. I know I've been before you a few times, so I'll try not to take advantage of that opportunity and say things that I've already said to you, but recognize that you've already deliberated on many of these things before.

My name is Gina McCarthy. I'm the Commissioner of the Department of Environmental Protection. I'd like to speak to you about four of the bills that the Department is very pleased that you have raised today, and thanks you for that.

The first has to do with dam safety. The second has to do with electronic waste. The third has to do with a marine fisheries license, and the third has to do with anti-idling provisions, that are a diesel reduction strategy.

SB1091

SB1223

HB 7123

HB 7249

HB 7124

003578

29
jlm

ENVIRONMENT

March 9, 2007

that a new owner of the property itself will have information as to whether there is a high hazard or significant hazard dam located on the property.

They are aware that it exists, and there are responsibilities associated with that. Lastly, it clarifies some of our general permit authority.

We would ask your serious consideration of this bill. We know that we have been very lucky in terms of recent storms and in terms of not losing more loss of life than we have, and there are significant problems with inundation zones and continued building in those zones.

We just need to get a better handle on this. This is a tiny step forward. We believe it is non-intrusive, and we believe it is a significant step forward for us, to be able to manage private wells.

Now I just went over my allotted time, but, thankfully, that's the new bill that you haven't heard a lot about before.

The second has to do with electronic products recycling, which you normally have heard from me before, on other related bills, but I've also testified at an informational hearing about this.

I will keep my remarks very short. Our bill, House Bill 7123, that the DEP is thankful you raised, is a producer responsibility model. It is very consistent with House Bill 7249.

003579

30
jlm

ENVIRONMENT

March 9, 2007

It just leaves much of the detail to be developed through regulation, as opposed to legislation. We are happy to talk about that, and we wish you to at least consider that approach.

The third bill has to do with a marine fisheries license, which many of you in the Appropriations Committee have heard us talk about.

It is a new license that the Department is requesting the authority to initiate. It would eliminate a longstanding inequity that we believe exists among anglers, by requiring marine anglers to purchase licenses, whose revenues help support the fishing management and conservation programs of the agency.

As many of you know, our Environmental Conservation Fund is in some fiscal distress at this point. We have been looking at opportunities for increased revenue associated with our Environmental Conservation Fund.

House Bill 7124 would actually require us to stabilize that Environmental Conservation Fund for five years, and that is a good outcome of this.

The main point is, we believe it is the right thing to do, that most of the coastal states have similar bills.

It is the time to do it, and given changes in federal regulations that will be requiring

JOINT
STANDING
COMMITTEE
HEARINGS

ENVIRONMENT

PART 12
3694-3999

2007

003753

204
jlm

ENVIRONMENT

March 9, 2007

KIM O'ROURKE: I have. My name is Kim O'Rourke. HB 7249
I'm the Recycling Coordinator for the City of
Middletown, and I'm a member of the Connecticut
Recyclers Coalition.

And I'm here today to support House Bill 7123,
AN ACT CONCERNING THE CONNECTICUT ELECTRONIC
PRODUCTS RECYCLING AUTHORITY. We support it in
concept.

We feel it is missing a few details, and we are
especially concerned with the creation of a
state authority on this issue. But, we do
support it, because it does encompass a
producer responsibility system for e-waste
recycling.

The professionals at DEP have worked on the
state solid waste management plan for years.
We are very pleased it is out, and a large
component of the plan is to support producer
responsibility models for solid waste
management.

Looking at the big picture, producer
responsibility will work for other items beyond
e-waste, but e-waste, a toxic problem, is a
great place to start.

The DEP Commissioner has encouraged Legislators
to support this position, and we believe we
should follow the direction suggested by DEP.

Producers should play a significant role in the
final management of their waste. Government

003755

206
jlm

ENVIRONMENT

March 9, 2007

We feel there are some big issues, and they are in my testimony about what should be included in the bill. And I would suggest we look at the Washington State Law, or I think it's Raised House Bill 7249, which is the CSG model on this issue. Thank you.

REP. ROY: Thank you, Kim, any questions or comments from Members of the Committee? Seeing none, thank you.

KIM O'ROURKE: Thank you.

REP. ROY: Heidi O'Brien, followed by Ralph Slater.

HEIDI O'BRIEN: Thank you, Chairman, Members of the Committee, for considering Raised Senate Bill 1146 to include humane education in the curriculum of public schools.

My name is Heidi O'Brien, and I serve as Director of Outreach of the National Association for Humane and Environmental Education. Our offices are in East Haddam.

And we provide teaching materials, professional development, and other support to teachers and humane educators. We are the youth education division of the Humane Society of the United States.

And on behalf of our 168,000 Connecticut supporters, I submit testimony in support of Senate Bill 1146. Overall, I believe this legislation will be as much a benefit to teachers and education in Connecticut as to animals and the environment.

JOINT
STANDING
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HEARINGS

ENVIRONMENT

PART 13
4000-4293

2007

004045



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Environment Committee

Public Hearing

March 9, 2007

*Testimony in support of the concept of
HB 7123, AAC the Connecticut Electronics Products Recycling Authority.*

*Kim O'Rourke
City of Middletown
Recycling Coordinator*

Good afternoon, Senator Finch, Representative Roy and members of Environment Committee. Thank you for the opportunity to comment on this bill, 7123, AAC the Connecticut Electronics Products Recycling Authority.

My name is Kim O'Rourke and I am the Recycling Coordinator for the City of Middletown and a member of the Connecticut Recyclers Coalition. I am staff to the Middletown Resource Recycling Advisory Council, who has worked closely with me on this issue.

The City currently accepts computers and televisions for recycling at the Middletown Transfer Station for a charge. The fee pays for the recycling and transportation of these items. The fee has also discouraged many residents from using this option. City residents are not able to participate in the one-day collections offered by other regional entities (Middletown is not a member of any of these) and therefore, their only option is to pay for disposal. I suspect there are still many computers and televisions sitting in people's attics and basements in Middletown.

After extensive research on this issue, we have decided to support a producer responsibility model for e-waste. We support the concept of HB 7123, but feel the bill itself is lacking in detail and missing some key components that are included in RB 7249, the Council of State Government's model legislation for e-waste recycling. We submitted testimony last week for that bill.

The reasons we decided to support producer responsibility are many, but include the following:

- ◆ **A producer responsibility system is strongly supported by the CT DEP**, as outlined in the new State Solid Waste Management Plan. The solid waste professionals at the State have been working on this Plan for years. A large component of the Plan is to support producer responsibility models for solid waste management. Looking at the big picture, producer responsibility will work for other items beyond e-waste, but e-waste, as

004049

March 9, 2007



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Environment Committee

Electronics Recycling

Senator Finch, Representative Roy, and Environment Committee members,

The Connecticut Recyclers Coalition (CRC) appreciates the opportunity to offer written testimony in favor of Raised Bill 7123. This bill addresses a growing need for electronics recycling in our state.

The CRC's Electronics Working Group has researched electronics recycling extensively and intensively over the last half year. Our research has shown the Shared Responsibility programs, including greater Producer Responsibility, are superior to Advanced Recycling Fee (ARF) programs. As such we favor RB 7123 (and RB 7249) and we oppose RB 1225. I include several key points here and refer you to the attached fact sheet for other important information.

Shared/Producer Responsibility Electronics Recycling is well-supported.

A growing number of organizations and trade groups, include electronics manufacturers, supports Producer Responsibility over ARF:

- Electronics manufacturers including Hewlett Packard, Dell and Best Buy, which is a manufacturer and retailer;
- Sony Europe, along with Samsung Electronics, HP, Dell and a variety of other manufacturers and groups such as the Basil Action Network (BAN) have taken a position in Europe to support Individual Producer Responsibility for current (though not historical) products, stating in part: "Individual producer responsibility encourages competition between companies on how to manage the end-of-life phase of their products. This in turn drives innovation, such as in business models, take-back logistics and design changes, to reduce the environmental impact of products at the end of their life";
- Connecticut Retail Merchants Association;
- Equipment Leasing & Finance Association;
- State of Washington;
- State of Maine;
- State of Maryland;
- Council of State Governments/Eastern Regional Conference & Northeast Recycling Council (CSG/NERC model legislation, similar to RB 7249);
- Clean Water Action; and
- The California Integrated Waste Management Board – a state government agency running their ARF electronics program since 2004, who adopted Strategic Directive 5 in February 2007 that says, in part "It is a core value of the CIWMB that producers assume the responsibility

004050

for the safe stewardship of their materials in order to promote environmental sustainability. Specifically, the CIWMB will: [...] develop and maintain relationships with stakeholders that result in producer-financed and producer-managed systems for product discards.

RB 7123 is not a tax.

RB 1225 would charge a tax at the point of sale. It tries to escape the term "tax" by specifically changing the wording in the general statutes so that this sort of tax would no longer be referred to as a tax.

Instead of taxing consumers at the point of sale, RB 7123 requires manufacturers to build the cost of recycling into their business. This reduces the burden on retailer, eliminates the public perception of "taxing" for recycling, and provides a strong incentive to manufacturers to design their products to be recycled.

RB 1225 and other ARF legislation do not guarantee better capture rates

An MIT study disproved assertions that California's ARF program produced higher capture rates for electronics than did other programs. Neither ARF nor Producer Responsibility programs influence how much of the material will be recycled. The keys to recycling more residential electronics are having convenient, accessible, no-fee collection areas. More overall electronics recycling also results from including more sources, such as businesses, and more products beyond just TVs and computer monitors.

RB 7123 provides opportunity for economic development.

An electronic recycling mandate is likely to create business and employment opportunities in our state.

Changes to RB 7123

CRC's primary position is that Connecticut adopt a Shared Responsibility model with a strong Producer Responsibility component and not an Advanced Recycling Fee model. We also strongly oppose the creation of a large government bureaucracy to run a program. But within that framework, we feel there is room for compromise and improvement, such as the assessment method for the collection of recycling fees from manufacturers. Collecting fees based upon "return share," the actual percentage by manufacturer of the total electronics collected, is preferable to the currently proposed method of "market share." Using return share-based assessment is favored by Hewlett Packard and others as it more closely matches assessment to actual recovery of electronics.

Thank you.

Cyril John May
President

004163

March 9, 2007

Dear Environment Committee;

I support the bills before your committee to establish a permanent electronic recycling system in Connecticut. I feel the bills RB-7249 and HB-7123 will best accomplish this. Please consider supporting one of these bills or a bill combining the best qualities of the two.

Thank you.

Sheila Baummer
Recycling Coordinator
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