

# Senate Bill 740

## Electronic Product Stewardship for Oregon

### IN BRIEF

To provide a **convenient, responsible, and proactive** system for the reuse & recycling of electronic products through the establishment of an Advanced Recycling Fee paid at the point of purchase. This legislation will **create local jobs** in the collection, recycling and reuse industries, conserve financial and natural resources and ensure proper handling of hazardous waste.

### THE OREGON PROBLEM

In 2004, an estimated **18 million pounds** of electronics became obsolete in Oregon homes and small businesses. New electronic products are released every day creating a backlog of products that require recycling and disposal. Experts estimate that only about 10% of these products are currently recycled. That means that millions of dollars in lost commodities, energy, and resources are wasted. Improper disposal of the lead, mercury, and other hazardous materials in electronics poses health risks to people.

#### **Local governments cannot bear the burden of disposing of this waste:**

- Statewide, the costs for convenient service to the public would range from **\$2.2 million to \$3.1 million per year**.
- In Lane County, the costs are between \$5 and \$20 per item to manage this equipment. It's inefficient and costly for the County to deal with electronic waste at a local scale. A statewide solution will increase efficiency by creating economies of scale for recycling these products.

#### **The public wants recycling options for their old electronics:**

- In 2004, Dell held collection days for the public in 17 cities in the United States. The Portland event was in the top five, bringing in 142 tons.
- Calls to the Metro hotline asking where to recycle electronics increased 15% last year to nearly 6,000.

#### **The problem will only get worse unless we act now:**

As more unused electronics accumulate in homes, and as their recycling value declines, the recycling system will cost more and more.

- The Oregon backlog of old computers and TVs in storage is projected to grow by over 300,000 units this year – an accumulated cost that is increasing by \$4 million each year.

### THE OREGON SOLUTION

If Oregon established convenient recycling opportunities, we conservatively expect to collect over 9 million pounds each year based on data from collection programs elsewhere in the U.S.

We have been studying and talking for 4 years. We know what needs to be done. We know the options. We know what the stakeholders think. **It's time to act.**

*Over →*

**This solution will not cost taxpayers more.**

This bill brings its own funding, a fee to be paid by the consumers of electronic products.

**This is a private sector solution that does not build more government.**

This bill makes it possible for private businesses and non-profits to deliver the necessary services, not government.

**This is an Oregon solution that will contribute to a national solution.**

If and when a national system is established, the Oregon system will sunset.

**Let’s be honest: It’s pay now, or pay later.**

Given the options – which are to ignore the problem, increase government spending, or force an unwelcome mandate on manufacturers – the approach in this legislation provides the best of the available solutions.

- An Advanced Recycling Fee (ARF) paid at the point of sale will cover costs for collection and recycling services plus administration. The ARF will be set to cover the costs for each electronic product, not exceeding \$10.
- Retailers will collect fees on the products to be recycled and receive 3% of the ARF for their participation.
- An ARF prevents these costs from becoming the responsibility of taxpayers or local government.
- The ARF enables manufacturers, acting in partnership or individually, to share responsibility with local communities.

**THE BOTTOM LINE**

This bill will have **minimal financial impact** on the state budget. All costs associated with the program from administration to collection and recycling will be covered by the ARF. This program will increase business opportunities, not government spending.

<b><i>The Oregon Coalition for Electronics Product Stewardship</i></b>		
Association of OR Recyclers Earth Protection Services Inc.	Waste Management, Inc. Oregon Environmental Council	Metro Recycling Advocates
<b><i>Members of a Manufacturers’ Coalition who support the ARF:</i></b>		
Hitachi America Sanyo Fisher Company Mitsubishi America Thomson Inc. (RCA)	Samsung Electronics America JVC America Sony Electronics Philips Electronics N. America	IBM Corporation Sharp Electronics Panasonic

**For More Information**

Contact State Representative Jackie Dingfelder, 503-986-1445, rep.jackiedingfelder@state.or.us.