MALCOLM AUGUSTINE Legislative District 47 Prince George's County

President Pro Tempore

Executive Nominations Committee

Education, Energy and the Environment Committee



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## THE SENATE OF MARYLAND Annapolis, Maryland 21401

February 20, 2024

## Senate Bill 686 - Environment - Covered Electronic Devices Recycling Program -Establishment

Dear Colleagues,

I am pleased to present **Senate Bill 686 - Environment - Covered Electronic Devices Recycling Program - Establishment**, which seeks to streamline and enhance electronic device recycling efforts in the state, restructuring existing programs and establishing a designated fund to support and optimize electronic waste recycling initiatives.

In 2005, Maryland implemented an electronics recycling law aimed at holding manufacturers accountable for the disposal of their electronic products. The initial intent was to require manufacturers to contribute to a state fund through grants, supporting recycling efforts and providing resources to the Department of the Environment for program administration. However, a significant loophole has emerged over the years. Manufacturers were given the option to pay a reduced annual rate of \$500, allowing them to establish their own electronics recycling take-back programs. Unfortunately, these manufacturer-led initiatives have only managed to collect a mere 2% of electronics statewide over the past decade, significantly lagging behind municipal and commercial recycling programs. This legislative proposal addresses these shortcomings comprehensively. The current funding mechanism from manufacturers has proven inadequate, leading to operational challenges at the local level. Many jurisdictions are either conducting infrequent recycling programs, resorting to landfilling electronics, or imposing fees on the public for recycling services. Consequently, our statewide electronics recycling rates have plummeted by over half of what they were a decade ago. Even prior to the electronics commodity downturn of 2014, Maryland ranked poorly among the 25 states with electronics recycling laws, particularly in pounds per capita recycled.

To rectify these issues, this proposed Bill seeks to eliminate the underutilized manufacturer take-back program. Instead, it mandates higher, already established, manufacturer registration fees to fund the Department of the Environment's (MDE) administration of the program. Additionally, a modest consumer fee will be imposed at the point of purchase for new covered electronics. This fee will serve to fully fund not only electronics recyclers but also reimburse local governments for their staff, equipment, and expenses incurred in addressing the rise in solid waste and recycling facility fires linked to lithium-ion batteries.

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The proposed amendments to SB0686 - Covered Electronic Devices (CED) Recycling Program address several key requests and considerations. Responding to the Maryland Association of Counties (MACo), the language on Page 9 remains unchanged, allowing Counties to maintain their independent electronics recycling programs and utilize recorded recycled weights for mandatory annual reporting under the Maryland Recycling Act. In response to the Maryland Department of the Environment's (MDE) request, consumer fees at the point of purchase for Covered Electronic Devices (CED) will now be collected by the Comptroller, similar to the tire recycling consumer fee process. These collected fees will be deposited into the CED Recycling Account by the Comptroller, with MDE responsible for distribution to Authorized Collectors and Authorized Recyclers after deducting administrative costs. Furthermore, specific consumer fees previously set at \$10 and \$5 for Tier I and Tier II on page 15 have been removed. Instead, MDE, in collaboration with the Advisory Council, will determine consumer fees necessary to cover all collection and recycling costs associated with Covered Electronic Devices (CEDs). These amendments collectively aim to enhance the efficiency and effectiveness of Maryland's CED Recycling Program.

Furthermore, this Bill mandates the establishment of an Advisory Council comprising government and industry stakeholders to continuously evaluate and advise on the program's effectiveness. Moreover, it will allow MDE to set a baseline of certifications for recyclers participating in the program through regulation, ensuring responsible management of electronics containing hazardous materials such as mercury, lead, and flame-retardant chemicals. By doing so, we aim to reduce pollution, greenhouse gas emissions, and the need for resource extraction of virgin materials. This bill is not only geared towards creating job opportunities in the green sector but also provides a comprehensive statewide solution to diverting electronics away from landfills. It addresses the loopholes in the existing system and ensures a sustainable, responsible approach to electronics recycling in the state of Maryland.

Thank you for your attention to this critical matter. I urge the committee to give a **favorable** report for **Senate Bill 686 - Environment - Covered Electronic Devices Recycling Program - Establishment.** 

Sincerely,

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Senator Malcolm Augustine