

**Department of Legislative Services**  
Maryland General Assembly  
2012 Session

**FISCAL AND POLICY NOTE**

House Bill 447 (Delegates Reznik and Morhaim)  
Health and Government Operations

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**Procurement - Electronics Recycling Services**

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This bill requires an Executive Branch agency that contracts for electronics recycling services to contract only with recyclers that are certified e-Stewards or R2 certified recyclers. The bill does not apply to contracts entered into before October 1, 2012.

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**Fiscal Summary**

**State Effect:** None. A statewide five-year contract for electronic recycling services will be awarded before the bill's effective date and remain in effect for the period covered by this fiscal and policy note. A scarcity of certified electronics recyclers in Maryland may affect future procurements for those services. No effect on revenues.

**Local Effect:** None.

**Small Business Effect:** None.

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**Analysis**

**Current Law:** State law does not address the procurement of recycling services for computers or electronic devices. However, several State laws promote environmentally friendly electronic recycling.

Chapter 384 of 2005 established a pilot Statewide Computer Recycling Program administered by the Office of Recycling within the Maryland Department of the Environment (MDE). Beginning January 1, 2006, specified computer manufacturers were prohibited from selling a new computer in the State unless the manufacturer registered with MDE and paid a registration fee. Chapter 384 also established an

incentive for counties to address computer recycling in their required county recycling plans.

Chapter 239 of 2007 expanded this program to apply to “covered electronic devices” and increased the initial manufacturer registration fee. A “covered electronic device” is defined under current law to include a computer or video display device with a screen that is greater than four inches measured diagonally. However, a covered electronic device does not include a video display device that is part of a motor vehicle or that is contained within a household appliance or commercial, industrial, or medical equipment.

The State Recycling Trust Fund is used to provide grants to counties and municipalities to support local recycling activities and now comprises primarily covered electronic device manufacturer registration fees. These grants have helped establish local outreach and education initiatives to promote electronic recycling, including one-day recycling events and, in some cases, curbside collection.

**Background:** Chapter 719 of 2010 required MDE to conduct a study to evaluate solid waste management processes that reduce the solid waste stream through recycling and source reduction. A draft December 2011 report includes a recommendation that State electronic recycling contracts be awarded to R2 or e-Stewards certified recyclers.

Responsible Recycling Practices and e-Stewards are the only two certified standards for safe and environmentally friendly recycling of computers and electronics. According to the U.S. Environmental Protection Agency, responsible recycling reduces environmental and human health impacts, increases access to quality reusable and refurbished equipment, and reduces energy use associated with mining. There are only two R2 certified recyclers in Maryland, and no e-Stewards certified recyclers in the State; additional certified recyclers are found in neighboring states.

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## **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Calvert, Howard, Montgomery, and Prince George’s counties; cities of Frederick and Havre de Grace; Board of Public Works; Department of Budget and Management; Maryland Department of the Environment; Department of General Services; Maryland Department of Transportation; Maryland State Department of Education; University System of Maryland; Department of Legislative Services

**Fiscal Note History:** First Reader - February 21, 2012  
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Analysis by: Michael C. Rubenstein

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510