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March 11, 2020

SB 723

TO: Members of the Senate Finance Committee

FROM: Nicholas Blendy, Deputy Director of Government Relations

RE: SENATE BILL 723 –Consumer Protection – Right to Repair

POSITION: SUPPORT

Chair Kelley, Vice-Chair Feldman, and Members of the Committee, please be advised that the Baltimore City Administration (BCA) **supports** Senate Bill (SB) 723.

SB 723 would require an original equipment manufacturer to make available, on certain terms, certain materials or updates to an independent repair provider or owner of digital electronic equipment.

If enacted, this legislation would make it easier and more affordable for individuals to have their digital electronic equipment repaired, rather than purchasing new electronics, thus resulting in a decrease in electronic waste (e-waste), a rapidly growing waste stream. Currently, manufacturers limit the information available on how to repair their products, effectively creating situations in which customers must go to the manufacturer for repairs, since local repair shops do not have access to the manufacturer's repair information. The cost that the manufacturers charge for these repairs is often so high that consumers choose to buy a new product rather than pay for repairs on the old one.

In this age of globalization and heightened technology, new and updated models of computers, smart phones, televisions, tablets, smart watches, home assistant devices, and other electronics are being released at more frequent intervals, sometimes replacing preceding models that were released only months previously. In addition, products are no longer designed to be as durable as they were in the past. As a result of this shortened

lifespan of products, consumers are disposing of more electronic waste, or e-waste, than ever before. E-waste generation has a growth rate about three times larger than that of conventional solid waste. The United States is the top producer of e-waste in the Americas, with 6.3 metric tons produced in 2016, only 22% of which was collected for recycling¹. Electronic waste is costly to recycle and, if not managed appropriately, has negative environmental impacts.

The provisions of this legislation would result in less electronic waste by enabling third party repair shops and consumers to have access to non-trade secret repair and diagnostic information. By making it more affordable to repair electronics, customers will find it more cost-effective to pay for the repairs rather than to purchase a new product. Expanding opportunities for repair will be of benefit to consumers who currently face very expensive fees for repairs. It would also support local repair shops, which would have a positive local economic impact. According to one report, 200 repair jobs could be created for every 1,000 tons of used electronics. In addition, it would make it easier for materials to be repaired and resold, which could assist consumers who may not be able to afford the newest model but can afford a refurbished item.

Along with individual consumers, businesses and municipalities could save money by spending less on electronics recycling. Baltimore City has a contract with a private company for e-waste recycling brought by residents to City-run Residential Drop-Off Centers. In calendar year 2019, Baltimore City incurred \$108,600 in e-waste collection and recycling costs.

This legislation would promote the State's goals to reduce waste by promoting reasonably priced repairs rather than disposing of an entire electronic product to purchase a new one. Around 20 other states have introduced similar legislation including Virginia, New York, New Jersey, South Dakota, Illinois, California, Massachusetts, Minnesota, West Virginia, and Washington. Reuse and repair options are very important to reducing the amount of waste created. Concepts of reuse and repair are featured in Baltimore City's Sustainability Plan and the Department of Public Works "Less Waste, Better Baltimore" plan.

We request a **favorable** report on Senate Bill 723.

¹ UN University E-Waste Monitor, , p.64: https://globalewaste.org/wp-content/uploads/2018/10/Global-E-waste-Monitor-2017.pdf