

Testimony of  
Assemblyman William Colton, Chair  
NY Legislative Commission on Solid Waste Management  
Before New York City Council  
Committee on Sanitation & Solid Waste  
January 14 2008

I appreciate the invitation from Councilmember Michael McMahan and the members of the City Council to testify at today's hearing. As you are well aware, the proper management of unwanted electronic equipment has become a major issue across the country. This issue has also been one of my top priorities as Chair of the Assembly Legislative Commission on Solid Waste Management.

I applaud the sponsors of this electronic recycling legislation, which is being considered in the City Council for their initiative to address this important concern. I believe it is beneficial and fully appropriate for the City Council to establish an electronics recovery system for New York City.

I strongly support the concept of producer responsibility, which, in my opinion, provides the fairest and most effective means of properly managing the fast growing electronic waste stream.

Ideally, it is most advantageous to establish an electronic recycling program on the Federal level. However, it is clear there is no

immediate prospect of Federal legislation at this time. Meanwhile the amount of electronic products being discarded into the municipal waste stream continues to grow. According to the City's Solid Waste Plan, the NYC Department of Sanitation has collected more than 350 tons of discarded electronics since 2004. In fact with the oncoming conversion of our televisions we may face a far greater increase in volume, as households throw out many old televisions, which are currently being kept for use as spares.

Electronic equipment contains toxic contaminants such as lead, mercury, and cadmium, among others, which can contaminate our air, water and soil, if not disposed of properly. In fact, there is growing evidence where such electronic discards are exported to other countries, many of these toxins end up being returned to us in the form of jewelry, toys, etc., which are being manufactured in these countries and then are exported to us.

Therefore state policymakers, including myself, have proposed legislation to address electronics recovery at the state level. The Council of State Governments, in conjunction with the Northeast Recycling Council developed a consensus of model legislation resulting from successful Roundtable Project which it sponsored. This has provided a significant all of the participating push to encourage the passage of such legislation. In fact Maine, Maryland, Washington, New Jersey and Connecticut among

others, have passed producer responsibility type legislation. I have introduced two producer responsibility bills in the NYS legislature and both of these bills also have been introduced in the State Senate by Senator Marcellino, the Chair of the Senate Environmental Conservation Committee. Both bills follow closely the CSG model except that one bill (A2648) bases the manufacturer's share on the percentage by weight of amount of its products being returned during the previous year to the total of all products returned, while the other bill (A2798) bases each manufacturer's required share upon their proportionate market sales share for that manufacturer. Both of these bills require the manufacturer to pay a registration fee of \$5000 and both bills allow the manufacturer to participate by opting either (1) to set up their own independent program, either individually or jointly with other manufacturers, to collect, transport, and recycle their determined return or market share of electronics or (2) to pay to a state administered program the cost for collecting, handling and recycling of that manufacturer's determined product share. Both bills include the banning of electronics from landfills.

While I am hopeful that we will be able to pass state legislation in the near future, I see no problem if the City of New York adopts a producer responsibility type law, such as is being

discussed in the City Council. As a matter of fact, such an action may stimulate the State to act more quickly.

In closing you can count on my support in your efforts to pursue similar programs to properly recycle electronic products. Your efforts here will help build the momentum to achieve the objective of establishing a meaningful electronic program. Thank you again for giving me the opportunity to testify before you today.



Committee on Sanitation and Solid Waste Management  
New York City Hall  
New York, NY  
January 14, 2008

Comments on Electronic Waste  
Scott Hughes  
Strategic Initiatives Group  
Apple, Inc

Intro & Background on Apple and the Environment:

- On behalf of Apple, Inc. I applaud the Committee's efforts to draft legislation regarding the issue of Electronic Waste. Apple has long been an advocate of product stewardship, and we believe that this concept extends to the proper disposal of electronic equipment at the end of its useful life. We believe that all parties that have a role in manufacturing, selling or using Apple products also have a role in end-of-life management. Manufacturers should design products with minimal environmental impact, provide means to facilitate environmentally friendly recycling; consumers should select a disposal method that does not adversely affect the environment; governments should develop public policies that promote appropriate end-of-life management, including environmentally friendly disposal and recycling; and recycled materials should be used as feedstock for new products whenever possible.
- Apple supports the responsible management of used electronic products in a manner that protects the environment and uses resources efficiently. Apple takes a holistic view of recycling and waste minimization. At Apple, we believe that end-of-life management of electronic products begins with design. We apply this philosophy from the outset, beginning in the design stage by creating compact, ultra efficient products that use high recycling-value materials wherever possible.

On the Legislation:

- The best way to approach electronics recycling is at the Federal level. Apple supports the European style approach to electronic recycling that is comprehensive and covers products based on contents, not on use.
- Any legislation that is passed in New York City should:
  1. **Be comprehensive in the scope of products that it covers.** Apple currently offers take back programs for all of its manufactured products and believes that any manufacture responsibility legislation should target all products that contain similar internal and external components and chemicals. This includes computer peripherals such. These products are often more bulky and contain the same chemicals and metals as computers and other electronic equipment.

2. **Comprehensive e-waste legislation must cover consumers, but it must also cover small and large businesses, schools and municipalities as well.** Some of the biggest users of electronic equipment are companies and government entities, large and small. These computers often will enter the consumer waste stream at some point, possibly at a faster rate than consumer products, and therefore must be covered.

### Support of 104

- Apple supports Intro 104-A as it establishes an electronics recycling program that covers a broad scope of products, including computer peripherals and covers waste generated by all entities, businesses, schools, etc.
- The product scope covers products with similar internal and external components and, in addition, similar concerns regarding landfill disposal and resource conservation. Intro 104 recognizes that product scope should not be determined by the use of the product, but rather by the contents of materials that should be recycled and not discarded.
- In addition, Intro 104 recognizes the need to cover waste generated by all entities. Some of the biggest users of electronic equipment are businesses and government entities, large and small. The product scope of Intro-104 and scope of covered entities will significantly reduce the amount of electronic waste in New York City and therefore the burden on City government and on its residents, businesses, and other entities.
- Apple suggests that the performance standards in the bill be removed or modified. Performance measures should not be based on arbitrary percentages, but rather on substantiated recycling data. It would be far more efficient if the City established recycling goals coupled with manufacture transparency on the amount of electronic waste being collected and recycled.
- It would be beneficial for the City to encourage environmental design by reducing the performance standards for companies that design and produce products with the environment in mind. A more well-designed product will have less of an impact on the environment - this should be encouraged and rewarded. This could be accomplished by using the Electronic Product Environmental Assessment Tool (EPEAT) which is funded by the US EPA. This tool ranks electronics based on their environmental impact and design choices. Encouraging environmental design would reduce the overall impact of electronic products in the City of New York.
- Thank for the opportunity to share our comments on Intro 104-A in New York City. We look forward to working with you to develop meaningful e-waste legislation that is fair and comprehensive.

## FOR THE RECORD



Per Scholas provides reconditioning and recycling services for used computer equipment received from major corporations, organizations and the public. Computers reconditioned by our staff are either offered free or at affordable prices to low-income families to help bridge the digital divide or utilized in our technician training classes. Proceeds from our recycling business support our computer access and workforce training programs.

Per Scholas' computer recovery operation assists organizations in achieving socially responsible disposal of used computer equipment. Our reconditioning and recycling processes help reduce waste generation by maximizing the useful life of computer equipment. We recycle truly end-of-life computer equipment in an environmentally safe manner.

In operating our computer recovery center, we are committed to preventing pollution and implementing procedures that minimize the creation of waste and energy usage. We manage our daily operations, processes and materials in a manner that reduces the environmental impacts associated with our reconditioning and recycling operations. We are committed to complying with sound environmental practices, including the commitment to meet or exceed applicable legal, industry and other requirements. Our staff is fully empowered to help us achieve these goals, and participates in creating safe and healthy working conditions.

The protection of the environment is an essential component of our business practices at Per Scholas and we are committed to achieving environmental excellence. To ensure and measure our success, Per Scholas will maintain an environmental management system in conformance with the requirements of the ISO 14001 Standard. This system includes implementing appropriate programs and procedures, setting measurable objectives and targets and monitoring and auditing our progress.

We encourage suggestions from our employees, customers, suppliers, neighbors, partners and contributors.



**Testimony of Ryan Key  
New York Public Interest Research Group  
Before the Committee on Sanitation and Solid Waste Management  
of the New York City Council  
In Support of Proposed Legislation on Electronic Waste Recycling**

**January 14, 2008**

Good afternoon, Chairman McMahon and members of the Committee on Sanitation and Solid Waste Management. My name is Ryan Key. I am a Project Coordinator for the NYPIRG chapter at the Borough of Manhattan Community College.

NYPIRG is New York's largest nonprofit environmental and consumer advocacy organization, with more than 20 offices across the state, including chapters in each of the five boroughs. NYPIRG has a long history of advocating for waste prevention and recycling at the City and State level.

Thank you for this opportunity to testify in support of the Electronic Equipment Collection, Recycling and Reuse Act (Proposed Intro. No. 104-A). We commend the City Council for advancing a program that makes manufacturers responsible for the collection and recycling of electronic waste and contains performance standards that are ambitious, yet achievable.

Currently, New York City residents have limited options for the safe disposal or recycling of electronic waste. New York City is one of the few municipalities in the State that does not have a Household Hazardous Waste collection program.<sup>1</sup> Consequently, most discarded electronics end up in the waste stream. A substantial portion of the lead, mercury, cadmium and other heavy metals entering the waste stream comes from electronic waste. These toxic substances threaten public health and the environment when they are buried or burned.

In addition to its public health and environmental benefits, NYPIRG is particularly interested in the passage of Intro. 104-A because we believe this bill could serve as a model for the State of New York. In recent years, the State Legislature has taken positive steps to reduce the toxicity of New York's waste stream, such as banning the sale of consumer products containing mercury.

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<sup>1</sup> Instead, the NYC Department of Sanitation operates a "Special Waste" drop-off site in each borough. These sites only accept batteries, motor oil and filters, transmission fluid, fluorescent tubes and bulbs, latex paint, mercury thermometers and thermostats, and automobile tires. Household Hazardous Waste collection programs in New York State accept a broader range of materials, including pesticides and other chemicals. Although not regulated as "household hazardous waste," discarded electronics are now accepted at many of these programs.



But the State Legislature has failed to address the growing problem of electronic waste. There are at least half a dozen different e-waste bills pending in Albany.<sup>2</sup> New York City's leadership could help spur the Legislature to finally take action on this critically important issue. Intro. 104-A embraces many key principles, such as extended producer responsibility, which we believe should be included in any statewide e-waste legislation.

NYPIRG urges the City Council to adopt this measure in its current form as soon as possible. There is no time to waste. Electronics are the fastest growing component of the residential waste stream. With the change-over of television broadcasting scheduled for next February,<sup>3</sup> many New Yorkers will be discarding obsolete televisions in the coming year. By adopting this forward-thinking legislation, New York City will not only be prepared with solutions to this problem, it can set an example for the state and the nation.

Thank you again for this opportunity to testify today.

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<sup>2</sup> Bills have been introduced by Assemblyman Bill Colton, Assemblyman Bob Sweeney, and Senator Carl Marcellino.

<sup>3</sup> On February 17, 2009, federal law requires that all full-power television broadcast stations stop broadcasting in analog format and broadcast only in digital format.



# WeRecycle!

January 14, 2008

New York City Council  
City Hall Park and 250 Broadway  
New York, NY

Attn. Chairman McMahon, Councilmember deBlasio, and members of the  
Sanitation & Solid Waste Management Committee

**Re: "Electronic Equipment Collection, Recycling and Reuse Act of 2007"  
- NYC Bill 104-A**

Dear Chairman McMahon, Councilmember deBlasio, and members of the  
Committee:

I am here to provide testimony regarding the pending passage of  
"Electronic Equipment Collection, Recycling and Reuse Act of 2007".

WeRecycle! is a leader in the electronics recycling industry with a state of  
the art processing facility in the New York Metropolitan area, and is nationally  
recognized as a responsible and efficient recycler with long standing  
relationships with private industry including original equipment manufacturers,  
institutional, and municipal entities. Our programs are flexible, and designed to  
facilitate partnership between manufacturers, the city, and businesses that  
provide responsible collection and handling services to develop, implement and  
promote a safe, effective, and responsible electronics recycling system.

NY State, Empire State Development fully supported our expansion into MT  
Vernon, NY and awarded WeRecycle! a substantial grant that facilitated our  
ability to install a large industrial Shredder. Our facility alone has the capacity to  
recycle about 35 to 40 million pound of electronics annually. *Based on  
reasonable estimates, each NYC resident generates about three pounds of  
electronic waste per year. With approximately 10 million residents, that is about  
30 million pounds per year of electronic that may be generated as a result of  
this legislation. This volume is well below our NY facility's current processing  
capacity.*

Using WeRecycle! as an example of the infrastructure that currently exists in the NY metro area, it is reasonable to say that there is an existing infrastructure to support a comprehensive electronics recycling program consistent with the goals of New York City and this Council. We are confident in our ability to provide an electronics recycling and reuse collection system that is convenient and minimizes the burden to consumers of electronic equipment, and to the City.

WeRecycle! is experienced in supporting the collection of equipment generated from legislation. We have been operating as an approved consolidator and recycler for three years in the State of Maine. Maine was the 2<sup>nd</sup> state to adopt e-waste legislation. This experience allows us to directly support manufacturers to develop and submit an electronic waste management plan for the collection, handling, and recycling or reuse of covered electronic equipment and meeting the required performance standards.

The resources are in place right now to manage an efficient multi-faceted collection approach (residential, urban high-rise, commercial etc.) to serve the needs of the residents of NYC regardless of the physical layout of their housing in a cost effective manner.

The capability and capacity to implement an integrated approach to electronics recycling and to aggressively promote effective, secure, and responsible recycling and reuse of all the electronic waste generated from NYC as a result of the passage of this bill does exist.

Respectfully Submitted,

Dave A. Smith, CHMM  
General Manager, Northeast Operations  
**WeRecycle! Inc.**  
**IT Asset Recovery & Recycling Solutions**  
249 East Sandford Boulevard  
Mount Vernon, NY 10550  
914-530-2350 ex. 2207

To learn more about WeRecycle! Inc. visit <http://www.werecycle.com>

**Testimony of Sarah Wills  
Government Relations Manager  
General Electric Company  
in Support of  
Introduction 104**

Mr. Chairman and members of the Committee, my name is Sarah Wills and I am General Electric's Government Relations Manager for the Northeastern region of the United States. I live and work here in New York City, and am pleased to have the opportunity to testify in support of Introduction 104, legislation to set standards for recycling electronic waste in our city. Thank you for the opportunity to testify.

General Electric strongly supports electronic waste recycling programs. A couple of years ago, General Electric launched Ecomagination, a business strategy based upon the idea that by investing in technologies to help solve global problems from climate change to fresh-water shortages, our business can grow sustainably in a world where there is more scarcity and higher energy costs. Developing sustainable global solutions is a responsibility that our CEO, Jeff Immelt, takes seriously. General Electric also approaches this important public policy matter as a global manufacturer and financial service company - both of which have important perspectives to bring to the development of electronic waste recycling policy.

As others have testified today, televisions and computers present environmental risks if they are not properly disposed or recycled. Differences between the components and economics of televisions and computers, however, necessitate different approaches to how they are recycled. Ms. Ehret from Thomson fully described these differences and why a market-share approach more effectively addresses these differences. We concur in Thomson's testimony in support of such an approach. We also concur with Thomson's testimony regarding performance standards. Because General Electric has not manufactured televisions for over twenty-five years, the performance standards in the bill are not applicable to our company. In the alternative, however, we support establishing an electronic waste collection process that makes it as easy to recycle consumer electronic goods as it to purchase them.

Although General Electric supports Introduction 104, there are a few minor provisions that conflict with current law or extend the bill's scope beyond its intended goals. For example, the definition of "consumer" in the legislation includes business-to-business transactions that are already subject to regulations that govern how they are recycled and disposed. It would help harmonize the bill with current law if business-to-business transactions were excluded from the definition of "consumer."

Secondly, the bill currently equates a "seller" with a "lessor," even though those who lease products, unlike those who sell products, are not in a position to take control or ownership of the product. Leasing does not involve the actual transfer of ownership or often, even possession, of a product. It would help ensure that the bill achieves its objective of ensuring that manufacturers of televisions and computers take responsibility for recycling the products that they make if those who lease equipment were excluded from the definition of "sell" or "sale." On this same line, companies frequently enter into contractual agreements in which they agree to assume responsibilities. It would be helpful if the bill were clarified to ensure that such agreements are permissible.

Finally, there is some electronic equipment that is used for anti-terrorism or research and development purposes that utilize the components that are within the scope of this bill. It would help ensure that the scope of this bill remains focused on electronic equipment that is disposed of by consumers, if the definition of "covered electronic equipment" were clarified to exempt equipment that is used in the research & development context or for security and anti-terrorism purposes

In conclusion, we thank you for the opportunity to provide the Council with this testimony and look forward to working with you to ensure that the Council adopts effective electronic waste legislation for New York City.

Thank you.

**Testimony of Meggan Ehret, Senior Counsel, Thomson Inc.**  
**Before the**  
**Sanitation and Solid Waste Management Committee**  
**Public Hearing on Electronic Waste Recycling**  
**January 14, 2008**

Many thanks to the Sanitation and Solid Waste Management Committee for holding this hearing and being so willing to meet and engage in a dialogue about the provisions of Intro 104. My name is Meggan Ehret and I am Senior Counsel with Thomson Inc. and also serve as its corporate secretary. Thomson Inc. is committed to developing a workable and environmentally sustainable solution for e-waste, which, according to the EPA, is the fastest growing portion of the municipal solid waste stream. We applaud the City Council for having this hearing to ensure that the e-waste solution is a workable one that accomplishes the goal. We appreciate the opportunity to participate in this discussion.

Thomson is committed to complying with all environmental, health, and safety laws and regulations applicable to our business activities. We are equally committed to preventing deterioration of the environment and minimizing the impact of our operations on the land, air and water. These commitments can only be met through the awareness and cooperation of all employees.

Today, Thomson is a world leader in digital video technologies. Thomson provides technology, services, and systems and equipment to help its Media & Entertainment clients — content creators, content distributors, and users of its technology — realize their business goals and optimize their performance in a rapidly-changing technology environment. The Group is the preferred partner to the media and entertainment Industries through its Technicolor, Grass Valley, RCA, and Thomson brands. As background, RCA's stock was acquired by General Electric in 1986, and shortly thereafter Thomson bought certain consumer electronics assets from GE and eventually acquired the RCA trademark (in most classifications) and today licenses the trademark to a number of different companies that make RCA televisions and other RCA-branded products. In 2004, Thomson sold its television manufacturing assets and now licenses the trademark to a large television manufacturer.

Thomson is also a member of the Electronic Manufacturers Coalition for Responsible Recycling which we commonly refer to as "the Coalition." The Coalition consists of major manufacturers and marketers of consumer and commercial electronic products.

Based on our experience, we have learned that each product is different and, relevant here are the differences between televisions and computers. The different product life expectancy, market economics, residual values, and product portability necessitate different approaches to recycling to each product.

- **Different Product Life Expectancy** - Televisions have an average useful life of 15 to 17 years and have been available on the market since the late 1920's. Computers, on the other hand, have only been widely available to consumers since the 1980's and have an average life expectancy of at least 10 years less than the average television.

Because televisions have been in existence much longer and have a much longer life, many of the manufacturers of the televisions hitting the waste stream are either no longer in business or are no longer manufacturing televisions.

- **Different Market Economics** - The competitive pressures in the television industry have a much more significant and adverse impact on a manufacturers' ability to increase prices to account for the costs associated with recycling. A recent report by the financial services company Morningstar illustrates the competitive advantage that value brands have in the television business world: "The rampant competition from value brands like Vizio and Westinghouse has undercut prices of brand names like Sony, Philips and Panasonic by as much as 40%...Sustaining healthy returns on capital in such an environment is almost impossible." ("Flat Panels Have Poor Fundamentals," 03/26/2007). Such present-day manufacturers should not be given a free pass until their branded products begin to appear in volume in the State's recycling stream, which is 15 years after the product is sold.
- **Different Residual Value** - A computer's residual value is much greater than the typical cathode ray tube television. Computers contain metals and other valuable and easily recycled or reused materials. This significantly impacts the economics of recycling a television versus recycling a computer.
- **Different Product Portability.** Computers are lighter and easier to handle, thus different opportunities exist for collection and recycling. Those opportunities do not exist for television manufacturers. Thus, "takeback" programs that require consumers to send equipment to a manufacturer is more workable for computers than televisions.

These important differences support separate approaches to recycling programs. The computer manufacturers have already implemented "takeback" programs and thus requiring takeback programs is the most logical and workable approach for computer products. For televisions, which is my focus today, the only approach that levels the playing field is allocating the costs of a recycling program to the present day manufacturers based on each manufacturer's respective share of the market. It is a fairer approach for the following reasons:

- The television market is an easy-entry and easy-exit industry, making short-term competitive advantages the rule. According to an article in Smart Money Magazine ("Behind the Glass," March 2005), 70 percent of the television manufacturers were not in business ten years ago. By the time a new market entrant must pay to recycle its products (approximately 15 years from today), it is likely no longer in business.
- Far East manufacturers are flooding the market. "China...has emerged to build consumer electronics...as a new manufacturer. Any company with the resources and a market entry point can deliver product relatively quickly by contracting with the original design manufacturers." (The Consumer Electronics Industry in Flux, Gartner Inc. Research Report, November 16, 2005.). History has proven that they will not be in business by the time their products hit the waste stream and, given their location, enforcement or collection (particularly after they are out of business) will be difficult

if not impossible, unless a barrier to entry to the market is contributing to the costs of recycling televisions now.

- It is difficult—if not impossible—to estimate today the costs associated with recycling televisions 15 years from now (e.g., collection, transportation and recycling) and market share allocation ameliorates this concern. Thus, allocating the actual costs to recycle products today among today's market participants is fair and permits today's market participants to plan accordingly.

A market share approach requires each current manufacturer to pay for a share of the recycling of televisions based on its respective share of the market and account for these costs in the price of their product. Any other alternative will give a free ride to new market entrants as they will not be required to pay any costs for recycling today and history has demonstrated that they will be out of business in 15 years (which is when their products hit the waste stream). Thus, new market entrants will likely never pay for recycling e-waste. Importantly, as a result of not having to factor in the cost of e-waste, they are able to price their products lower than the long standing market participants and increase their share of the market. This is the same conclusion reached by the Council of State Governments NE region. (See [http://www.csgeast.org/pdfs/RegionalDraft7-06\\_revised.pdf](http://www.csgeast.org/pdfs/RegionalDraft7-06_revised.pdf)).

In summary, Thomson respectfully asks that the City Counsel consider allocating the costs of recycling televisions to the current market participants based on their respective share of the market and level the playing field for all television manufacturers.

Thank you for allowing me the opportunity to be here today and I look forward to your questions.

###



**Consumer Electronics Association  
Testimony by Parker Brugge before New York City Council  
Committee on Sanitation – January 14, 2008**

**Introductory No. 104-A (Electronics Recycling)**

Mr. Chairman and members of the City Council, thank you for giving me the opportunity to testify on behalf of the Consumer Electronics Association (CEA) regarding Intro 104-A, a proposed ordinance related to electronics recycling.

As this measure has worked its way through the Council, CEA and other industry trade associations have attempted to improve the legislation but we have been unable to overcome a fundamental difference of opinion articulated in the proposed legislation:

*The Council further finds that primary responsibility for the collection, handling and recycling or reuse of electronic equipment belongs to manufacturers.*

We respectfully disagree that manufacturers should bear the “primary” responsibility for activities relating to product recycling and suggest an alternative **shared responsibility** model in which manufacturers work in partnership with the City, retailers, recyclers and consumers.

CEA represents more than 2,100 companies and its member companies include major manufacturers of covered electronic products specified in the above-referenced proposed legislation. CEA’s member companies, although fully supportive of initiatives to promote the environmentally safe and efficient recycling of electronics, share grave concerns over the approach put forward by Intro 104 and urge the Council to make changes to this measure

**Specific CEA Issues**

***There is No Correlation between New Product Sales in NYC and Old Product Returns.*** The legislation creates arbitrary targets for how much manufacturers must collect and recycle based on the weight of product sold in the City. For many reasons this association is a mirage, including the obvious ability of consumers to purchase electronic products in one municipality for use in another.

Furthermore, a large majority of manufacturers do not know their sales into New York City as this data is knowable only by the final seller of products (i.e., the retailers). CEA suggests that all performance targets based on sales be removed until rational targets can be established after the results of recovery plans can be evaluated and benchmarked.

***CEA recommends the Use of Goals Rather than Mandates.*** In any legislation that the City of New York considers, we urge you to utilize a standard for performance that makes sense in today’s fast changing market place. As you know every day new companies and products emerge, companies merge and companies close.

With this type of dynamic market, the imposition of strict mandates with penalties would at best be unfair, but is potentially damaging to an industry that is crucial to the growth of our national economy. With countries across the globe sending products into the market place, regulating those products based on local sales may prove to be an impossibility.

Only by working together with manufacturers, retailers and consumers will we be able to put in place a program which addresses the need for electronic waste recycling. Mandates send the wrong message and will make administration extremely difficult.

***CEA Encourages Shared Financial Responsibility for Electronics Recycling.*** CEA advocates strongly for a shared financial responsibility among all stakeholders - manufacturers, retailers, consumers and local, state and federal governments - for electronics recycling at all levels. Any legislative solution that mandates sole manufacturer financing of collection, transportation and recycling of electronics waste treatment at product end-of-life is unbalanced and unfair. Placing the financial burden solely on the manufacturers is contrary to the concept of shared responsibility which CEA believes is the best option for recycling financing. A primary responsibility of manufacturers lies in product design. Most CE manufacturers have reduced and in most cases eliminated the use of potentially hazardous substances in their products. Additionally, manufacturers have developed new ways to incorporate recycled components and design for responsible end-of-life. CEA supports market-driven environmental design initiatives, including federal and state government programs that give preference towards purchasing of environmentally preferable technology products.

***CEA Supports Consumer Education Initiatives.*** CEA recognizes that the recycling of electronics products is essential as we work to do our part to contribute to a more sustainable world. Recycling must be made convenient, cost-effective and easy for individuals, businesses, community centers, schools and government agencies to take part. In order to educate consumers about options for electronics products at the end-of-life, CEA launched the *myGreenElectronics.org* website at the 2007 International CES. *myGreenElectronics.org* empowers consumers by providing online resources regarding responsible use, reuse, and recycling of electronics with the use of an online searchable database of electronics recyclers, a database of green products and tips for saving energy with electronics. CEA works closely with our members to make these resources available and transparent to all interested stakeholders. We will continue to buoy our education effort and have plans to expand upon this website in 2008.

### **CEA Prefers a State Solution, and Actively Supports a National Solution**

Ultimately, CEA strongly believes that a national solution is the most appropriate means to addressing this significant public policy challenge, primarily as a means to avoid an undesirable patchwork of state and local legislative mandates. A conflicting, ad-hoc pattern of regulation imposes unnecessary financial and administrative burdens on global technology companies, which will ultimately increase costs to consumers. Each state and municipality

that creates a new authority with a new governing body, or creates a new administrative or enforcement structure, is duplicating many of the implementation struggles already underway in other states around the country. Electronics recycling is a national issue that warrants a national solution.

Pending implementation of a national solution CEA suggests that the following language be added to the legislation to ensure a harmonized approach at least within the State of New York:

*This chapter is void if a state law, or a combination of state laws, takes effect that establishes a statewide program for the collection and recycling of electronic equipment that substantially meets the intent of this chapter.*

### **Conclusion**

CEA recommends eliminating the arbitrary recycling targets contained in Intro 104, and strongly encourages the addition of language deferring to a future state-mandated recycling program.

CEA greatly appreciates the Council's interest in creating viable, efficient electronics recycling systems but respectfully urges substantive changes. Thank you for considering our industry's concerns and the opportunity to present testimony.

I am happy to answer any questions.



Mr. Chairman-Members of the Committee

Thank you for the opportunity to again testify on this important and very complicated issue. On behalf of the AeA membership I would like to thank you for your willingness to work with industry to address several of the challenges in the original text of the bill.

That said, AeA remains deeply concerned with the proposed New York City electronic waste recycling regulation, Intro 104. We strongly urge the committee to set aside the local proposal and instead focus on leading the effort for a statewide solution.

We believe that acting at the local level will hinder efforts to develop an effective electronic waste system in New York. The eventual patchwork of regulations created by communities large and small enacting their own electronic waste recycling statutes would be unworkable and compliance with each community standard would be nearly impossible. In addition, increased costs will be incurred by the consumer as a direct result of the expense of the patchwork of regulations.

It is essential that the issue of electronic waste be addressed and that practical policy solutions are enacted. AeA contends that the local level is not the proper, or most effective, level in which to regulate. The growing volume of electronic waste is not unique to New York City; it impacts every community in our state from the largest city to the smallest rural town, and it is time to solve this problem on a statewide basis. Because the committee understands this, you now have a unique opportunity to lead the State of New York toward a solution that will work for all of this state's citizens and businesses.

On behalf of the high-technology industries in New York, I urge you to table this local proposal and focus on promoting a statewide solution to this important issue. AeA and its member companies are fully committed to assisting you in creating an effective and environmentally-sensitive solution, and we look forward to working with you.

Thank You,

Justin M. Wright  
Executive Director  
AeA New York Council

Intro 104-2006: Electronics Recycling  
Hearing of the Sanitation and Solid Waste Committee, 01/14/2008  
Testimony of Rabbi Felicia L. Sol, Congregation B'nai Jeshurun

- I. Introduction: Rabbi Felicia Sol, B'nai Jeshurun, 3,600 members, all over the city, etc.
- II. Our community is very conscious about the tremendous amount of wasted resources that we see every day.
  - As consumers and customers, we are grateful for the services, technology, products that are available to us.
  - As people of conscience, we do not want our lives to come at the expense of the environment and people's health - and it does not have to.
- III. The Jewish Connection to Environmental Stewardship - Responsibility
  - Each of us has the responsibility to do our part to help repair the world. We want to mitigate environmental injustice.
- IV. Benefits of Intro 104 from Community Perspective
  - There are tremendous health risks of highly toxic materials such as lead, cadmium, and mercury leaching into our groundwater or polluting our air.
  - Health risks of incineration in neighboring communities like Newark, which is dangerous for those communities and for others downwind.
  - This bill, by ensuring that electronic waste is collected, reused, and recycled by the manufacturers:
    - i. Reduces health risks to the public.
    - ii. Reduces danger to sanitation workers.
    - iii. Properly shifts costs from City and taxpayers to manufacturers, and encourages the design of less toxic, more recyclable products.
    - iv. Welcomes manufacturers to play a positive, constructive role in the communities that keep them in business.
    - v. New York City can set an example for the nation.
- V. Need to Include Enforceable, Measurable, Mandated Performance Standards
  - Without enforcement measures that require annual reporting on processing of e-waste we can not guarantee that we aren't just passing along the problem to the next community.
  - As a rabbi I've learned that we can't just talk about doing the right thing, feel good about ourselves, and then let it go. We have to be sure we're really doing tangible things to improve the world, and set up the structures to ensure that the work continues.
  - I urge you not to allow this bill to be watered down into a vague and unenforceable piece of "feel-good" legislation. The bill should be passed with the performance standards intact.



Institute of  
Scrap Recycling  
Industries, Inc.

www.isri.org

January 14, 2008

Mr. Carmen Conetta, Counsel  
Committee on Sanitation and Solid Waste Management  
New York City Council  
250 Broadway  
14<sup>th</sup> Floor  
New York, New York 10007

*Re: The Institute of Scrap Recycling Industries, Inc. (ISRI) Comments to New York City Council Introduction 104-2008.*

Dear Mr. Conetta,

The Institute of Scrap Recycling Industries ("ISRI") represents the largest number of recyclers throughout the world. With more than 1,500 members that process, broker and industrially consume scrap commodities, including metals, electronics, paper, plastics, glass, rubber, and textiles, ISRI is considered the "voice of the recycling industry." More than 20 percent of ISRI's membership is involved in electronic scrap processing and industrial consumption of scrap material generated by electronics recyclers.

ISRI appreciates the opportunity to work with the New York City Council to submit comments on its Introductory Resolution No. 104. We recognize this is a complex issue and the City Council has made strides to craft a workable solution to this growing issue. ISRI agrees with the overall direction of this resolution. We submit the following suggestions in an effort to further refine the draft proposal.

### **Introduction**

As stated in our November 15, 2005 comments, ISRI supports efforts that promote a market-based, sustainable recycling infrastructure, and facilitates the recycling of electronics in an environmentally sound manner. We support efforts to develop end-use markets for the materials recovered from scrap electronics; to promote manufacturer design improvements to make electronics easier to recycle and to avoid the use of hazardous materials in the manufacture of electronics products; and to promote the benefits of environmental management systems, such as ISRI's Recycling Industry Operating Standard (RIOS) as the proper means to address environmental concerns.

Further, ISRI strongly believes that electronic manufacturers, retailers, collectors, transporters and recyclers must work together to utilize the current reuse/recycling infrastructure to create an efficient system for dealing with obsolete electronics. We want to ensure that scrap electronics are collected, handled properly, and processed into valuable commodity products.

### **Definitions**

ISRI suggests that manufactures should only be asked to cover the costs of electronic equipment that has a negative cost to recycle. In today's commodity markets most recyclables, such as aluminum cans, copper pipe and newer computers, need no incentive to be profitable. Because the costs of recycling these recyclables are

lower than their commodity values. However, in today's market, the cost of recycling some electronics equipment, such as older computers and TVs containing cathode ray tubes is greater than the value of the commodities extracted from them.

As currently written, the Council is asking manufactures to subsidize certain electronic products and materials that can be recycled for a profit without an incentive. As a result, ISRI suggests narrowing the list of covered electronics equipment to only cover cost prohibitive equipment.

*AMEND d. "Covered electronic equipment means any ~~computer central processing unit; cathode ray tube; cathode ray tube device; keyboard; electronic mouse or similar pointing device; television; printer; computer monitor, including but not limited to a liquid crystal display and plasma screens, or similar video display device that includes a screen that is greater than four inches measured diagonally and one or more circuit boards; a laptop or other portable computer; or a portable digital music player that has memory capability and is battery powered.~~*

### **Financing Mechanisms**

Traditional scrap commodity markets are governed by supply and demand whereby artificial interference in the marketplace can cause significant disruptions to the long term economic viability of markets. However, ISRI acknowledges that in some very limited circumstances, the ability to wait for market forces to drive the recycling of certain materials, such as electronics, is limited and hence financial drivers may be necessary to stimulate the recycling of these materials at first. Therefore, to ensure that markets are ultimately governed by principles of supply and demand, ISRI recommends adding a "re-opener" or "sunset" provision:

#### **§ 16-433 Council Review**

The Council shall review and may alter the requirements for manufacturers to pay for certain costs associated with collection, handling or recycling of covered electronic equipment in 2012.

### **Manufacturer Responsibility**

ISRI applauds the Council's efforts to have manufacturers internalize the costs to collect, handle and recycle their products for two primary reasons. First, we recognize that producer responsibility provides a greater incentive to encourage manufacturers to adopt Design for Recycling®<sup>1</sup>, a concept that ISRI has advocated since the 1980s. Second, we believe that internalization will drive competition and better reflect true market values. This should lower costs and ultimately be cheaper for the consumer/taxpayer.

### **Reporting Requirements**

As currently written, section § 16-428 (a)(vi) could unnecessarily require manufacturers to disclose their strategic recycling partners' business confidentiality. It is important to understand that the scrap industry is highly competitive and that profit margins are driven by cents on the pound. Successful scrap businesses have historically relied on loyal, confidential strategic partners in their supply chain to remain competitive. This disclosure requirement is not needed. The resolution requires that all applicable laws be adhered to. ISRI recommends that manufacturers need only inform the department of legal compliance.

### **Landfill Ban**

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<sup>1</sup> ISRI's Design for Recycling® program seeks to promote the design and manufacture of goods that, at the end of their useful lives can be recycled safely, efficiently, and economically. Its goal is to encourage preproduction planning for safe and efficient recycling by eliminating hazardous and nonrecyclable materials from the production process.

ISRI applauds the Council's decision to include a disposal ban. However, ISRI would recommend allowing disposal of recyclable electronics that cannot be safely and economically recycled using existing covered technologies and methods.

**ADD § 16-426 Disposal Ban**

- c. Recyclable electronics that cannot be safely and economically recycled using existing recycling technologies and methods may be disposed of as solid waste in the city.

**Conclusion**

We do not want an over-regulated system that makes it impossible to do our job and to this end, we appreciate the opportunity to submit these comments. ISRI stands ready to work with all of the stakeholders in this process which will, ultimately, lead to an e-recycling program that fulfills the goals which are laudably stated in the legislative findings section of the bill.

Sincerely,

***Maite Quinn***

ISRI NY Chapter President  
Sprint Recycling  
605 West 48<sup>th</sup>  
NY, NY 10036  
Main: 212.399.1500

***Eric Harris***

Associate Counsel & Director of Government and International Affairs  
Institute of Scrap Recycling Industries, Inc.  
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**TESTIMONY OF ROBERT ORLIN, DEPUTY COMMISSIONER  
BUREAU OF LEGAL AFFAIRS  
NEW YORK CITY DEPARTMENT OF SANITATION**

**INTRO NO. 104-A: IN RELATION TO THE COLLECTION FOR RECYCLING, REUSE  
AND SAFE HANDLING OF ELECTRONIC EQUIPMENT IN THE CITY OF NEW YORK**

**HEARING BEFORE THE NEW YORK CITY COUNCIL  
COMMITTEE ON SANITATION & SOLID WASTE MANAGEMENT  
MONDAY, JANUARY 14, 2008 - 1:00 P.M.  
COUNCIL CHAMBERS - CITY HALL**

Good afternoon Chairman McMahon and members of the Committee on Sanitation and Solid Waste Management. I am Robert Orlin, Deputy Commissioner for Legal Affairs for the New York City Department of Sanitation. With me today is Robert Lange, Director for the Bureau of Waste Prevention, Recycling and Reuse for the Department of Sanitation. I am here to testify, on behalf of Commissioner Doherty and the Department, on Intro No. 104-A.

The Department of Sanitation supports the creation of a comprehensive and realistic electronic waste management collection system that offers convenience to City residents, and promotes safe and environmentally sound handling of certain electronic items. Currently, there is no national or statewide system in place for the reclamation of electronic waste generated from all consumers in New York City. In 2006, after completing the eighteen-month Waste Characterization Study, the Department determined that approximately 24,000 tons of electronic waste is disposed of in the City annually. Since it is expected that the amount of electronic waste will continue to increase over the next decade, we agree that a program for removing certain electronic items from the City's solid waste management system is necessary.

Since the Department last testified on this subject before this Committee fourteen months ago, the Administration and the Council have been working together to negotiate and develop appropriate electronic waste legislation for New York City. We are close to reaching agreement on a bill. However, the bill that is the subject of this hearing contains mandatory collection performance standards which both the Department and the Administration oppose.

Intro 104-A requires each manufacturer to recycle a certain percentage share of its covered electronic equipment based on the manufacturer's average annual sales of electronic equipment in the City during the previous three calendar years, as reported by weight, beginning with a minimum collection standard of 25% by July 1, 2012 and increasing incrementally every two years to 65% by July 1, 2018. The performance standards contained in the bill have been randomly set and do not rely on any meaningful data from the industry to support imposing such standards.

Currently, the Department has no reliable data on the rates that consumers dispose of electronic equipment. According to manufacturers, computers are replaced every seven to ten years and televisions are replaced at an even slower rate of approximately every twelve to fifteen years. Based upon this limited information, the Department is not able to estimate how much of a specific manufacturer's electronic waste will be offered for return during a one, two or three-year period. Since the City does not presently have sufficient information to ascertain whether the recycling

performance standards set forth in Intro 104-A are achievable, we firmly believe that it is inappropriate to promulgate such standards at this time. Stated simply, government should not be setting arbitrary mandates.

The bill makes the manufacturers responsible for the actions or inactions of its consumers. It is potentially problematic to hold manufacturers accountable for the return rate of consumers. Manufacturers may use their best efforts to collect electronic equipment and yet may still fall short of the percentage mandates because consumers do not return such equipment at the rates anticipated by this bill. To penalize the manufacturers in such circumstances on an annual basis -- with penalties of fifty thousand dollars (\$50,000) for each percentage point a manufacturer falls below the performance standard -- would not be fair.

The Department has its own experience with recycling mandates. Despite everyone's best intentions, when the City's Recycling Law, Local Law 19, was created, performance mandates were established that, in hindsight, were recognized to be unachievable. We should avoid such a result again.

Furthermore, under Intro 104-A, a manufacturer is required to collect every piece of covered electronic equipment that it has assembled, manufactured, sold or imported and that has been offered for return by any person in the City. The manufacturer is further responsible for informing and educating consumers and businesses of its electronic equipment return program. Should the manufacturer refuse to accept a piece of covered electronic equipment, the manufacturer is subject to a monetary penalty. Since manufacturers are required to accept every piece of covered electronic equipment that they create and that is offered for return, further mandating that manufacturers meet performance standards at this time is unnecessary.

Performance standards for recycling electronic waste should only be considered after further study and data collection. The passage of time and the collection of accurate data would allow the Administration, the Council and the Department to determine how the program is functioning and whether performance standards are necessary.

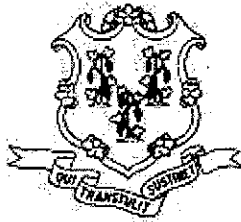
While we oppose the inclusion of performance standards, the Department supports the general policy of Intro 104-A as it creates a comprehensive and sound electronic waste for New York City. Intro 104-A places the responsibility of safely handling discarded electronic equipment on the manufacturer. By allowing manufacturers to develop their own reclamation program, the bill provides flexibility to manufacturers to develop a system that best meets their needs, including cooperative arrangements with other manufacturers for the collection and recycling of electronic waste.

The provisions of Intro 104-A will ensure that the public is well-informed of a manufacturer's electronic recycling program and that the returned electronic waste is handled in an environmentally sound manner. Manufacturers must develop an informational program to assist consumers with returning their electronic equipment, including an internet website and a toll-free telephone number. The bill also requires manufacturers to include information on their plans for the disposition of electronic waste, including anticipated end markets and electronic recyclers expected to be utilized by the manufacturers. Manufacturers also must certify that their collection, handling and recycling or reuse of electronic equipment complies with all local, state, federal and international laws and regulations.

These provisions will help ensure that electronic equipment will be handled in a way that is safe for the environment. Additionally, the bill mandates that manufacturers meet stringent annual reporting requirements, which will allow the Department to better understand and analyze the recycling and return rates for electronic equipment.

In sum, although the Department and the Administration support the underlying intent of this legislation that creates a comprehensive electronic waste management system in the City, we oppose the inclusion of the current performance standard component of this bill.

Thank you for the opportunity to testify here today. We will now be happy to answer any questions you may have.



**State of Connecticut**  
**HOUSE OF REPRESENTATIVES**  
STATE CAPITOL

HARTFORD, CONNECTICUT 06106-1591

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**DEPUTY MAJORITY WHIP**

MEMBER  
BANKS COMMITTEE  
FINANCE, REVENUE, AND BONDING COMMITTEE  
PUBLIC HEALTH COMMITTEE

**Testimony of Representative Patricia Widlitz**

**In Support of INTRO 104**

Chairman McMahon and members of the Committee on Sanitation and Solid Waste Management:

Thank you for the opportunity to testify before you today in support of Intro. 104, a producer responsibility-based New York City e-waste bill.

My name is Patricia Widlitz, Connecticut State Representative of the 98th Assembly District, representing the Towns of Guilford and Branford in the Connecticut General Assembly. As the main sponsor of CT's Public Act 07-189, An Act Concerning the Collection and Recycling of Covered Electronic Devices, I am before you today to urge you to act favorably on a producer responsibility-based NYC e-waste bill.

CT's producer responsibility law was signed by Governor M. Jodi Rell on July 6th and became effective October 1, 2007. The new law creates a mandatory recycling program for discarded covered electronic devices. Under the law manufacturers must participate in a program to finance the transportation and recycling of these designated products. Municipalities must provide to residents a cost free, convenient location for the collection of the discarded covered electronics.

The EPA has called electronic waste the nation's fastest growing category of solid waste. Without a method of guaranteeing proper disposal these products can pose a significant threat to public health and the environment. In the absence of federal policy

to regulate its disposal, states are taking the leadership in addressing a solution.

Recognizing the importance of a uniform approach throughout our region, CT participated in an 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. We convened an all day meeting at EPA Headquarters in NYC in April of 2005 to try to reach a consensus on an approach for the region. The CSG/NERC group concluded that the manufacturer responsibility model was the most 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.

Older cathode ray tube televisions and computer monitors can contain 4-8 pounds of lead. Most new flat-screen models contain mercury, and the plastic material used to house components often contain brominated flame retardants. To protect the public health we must ensure that these products are properly handled at the end of their useful lives to avoid releasing toxins into our air and water.

To add to the urgency of taking action, Congress has mandated television broadcasters to cease analog broadcasting by February 19, 2009. Broadcasters must switch from analog to digital broadcasts to free additional spectrum for the nation's first responders. Consumers who have analog televisions are likely to consider purchasing digital sets rather than buying converter boxes for the obsolete ones. These discarded TV's should not end up in our landfills and trash-to-energy facilities!

CT's e-waste law had overwhelming legislative support -unanimous in the Senate, 139-7 in the House! The process for promulgating regulations for implementing the bill is well underway with the input of a 30 member advisory group of stakeholders. Momentum is building among the surrounding states. At least seven other states (MN, OR, NC, TX, WA, ME and MD) have passed producer-responsibility bills and several others are being introduced this year.

Considering the density of the consumer population of NYC, passage of INTRO. 104 has the potential to have a dramatically positive impact on the environment of the entire area and to establish NYC as a leader of sound environmental policy for the region and the entire nation.

Thank you for the opportunity to express my enthusiasm and support. I look forward to learning of your success in the passage of INTRO 104!



THE CITY OF NEW YORK  
OFFICE OF THE PRESIDENT  
BOROUGH OF MANHATTAN

SCOTT M. STRINGER  
BOROUGH PRESIDENT

Testimony Of Manhattan Borough President

**Scott M. Stringer**

*Before*

New York City Council Committee on Sanitation & Solid Waste Management

Monday, January 14, 2008

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Good afternoon. I want to thank Chairman McMahon, as well as the 47 members of City Council who have co-sponsored Intro 104. As our City moves toward becoming the nation's model for urban environmental sustainability, Intro 104 is essential to the reduction of toxic materials in our waste stream, increased recycling rates, and cradle-to-grave accountability.

The bulk of our e-waste is managed through traditional methods of landfill disposal and incineration. Almost 25,000 tons of electronics are picked up by New York City's Department of Sanitation each year, and according to the US Environmental Protection Agency, 70 percent of heavy metals in our nation's landfills come from electronics. These statistics translate into a serious public health threat. Consumer electronics contain toxic materials, including lead, mercury, cadmium, barium oxide, and polyvinyl chloride, which are linked to cancer, nervous system disorders, endocrine disruption, and other health risks. These materials are harmless when they are encased in plastic, but when dumped or burned, these benign materials can contaminate our water and air.

Companies in Europe, Japan, and South Korea have begun to take responsibility for recycling their electronic products, and other states in the U.S. have passed laws requiring producer responsibility. Intro 104 requires electronics manufacturers selling their goods in New York City to assume the 'real' cost of their products. The financial cost associated with recycling toxins will encourage manufacturers to replace harmful waste products with materials that are easier to recycle. I applaud the sponsors of this legislation for proposing an e-waste recycling model that will protect New Yorkers and prompt corporations to value the public cost of poor environmental practice.

Given the amount of waste exported by New York City to out-of-state landfills, the re-use and recycling of electronics will save the city millions in taxpayer dollars. E-waste is growing at an

estimated three times the rate of the rest of our municipal waste stream. As the rate of technological advancement increases, so does the incidence of product obsolescence and market pressures for consumer disposal. Given that, the problem of e-waste will only become more pressing for the city of New York, and it is essential that we move quickly to enact a local management framework.

There is one point of caution regarding the development of manufacturer-based recycling systems. Given the high cost of electronics disassembly and the processing of hazardous components, many e-waste recyclers increase profit by sending equipment overseas. Equipment sent abroad for recycling or reuse is often mismanaged and causes laborer safety concerns, local health risks, and environmental contamination. Because this bill requires manufacturers to report annually on the processors they contract with, as well as the specific processes used to recycle their products, it should reduce the risk that manufacturers will contract with corrupt e-cyclers.

In conclusion, I strongly support Intro 104 as an effective way to manage our city's e-waste, protect public health and the environment, and ensure that electronics manufacturers account for the external costs of their products. I look forward to working with the City Council, consumer and advocacy groups, and the Department of Sanitation to realize this important law.



NATURAL RESOURCES DEFENSE COUNCIL

STATEMENT  
of the  
NATURAL RESOURCES DEFENSE COUNCIL  
before the  
NEW YORK CITY COUNCIL'S  
COMMITTEE ON SANITATION AND SOLID WASTE MANAGEMENT  
regarding  
INTRO 104-A  
THE ELECTRONIC EQUIPMENT COLLECTION,  
RECYCLING AND REUSE ACT OF 2008

Kate Sinding  
Ari Kahn

January 14, 2008



## I. Introduction

Good afternoon, Mr. Chairman and members of the Committee. My name is Kate Sinding and I am a senior attorney with the Natural Resources Defense Council (NRDC), a national, non-profit organization that has worked for more than 30 years on solid waste and environmental and public health priorities in the New York region. NRDC has also been directly involved in numerous national solid waste issues, including the ongoing movement to enact electronics recycling legislation across the country. Our organization has over 1.2 million members and activists nationally – with over 30,000 supporters in New York City alone.

## II. Executive Summary

I am pleased to be here today to provide NRDC's strong support for Intro 104-A – the proposed "Electronic Equipment Collection, Recycling and Reuse Act of 2008."

NRDC submitted lengthy testimony in October 2006 in support of Intro 104 (a copy of which is attached), and I will touch only briefly on the issues addressed in that testimony today, instead focusing the significant portion of my testimony on a couple of key issues related to the current version of the bill.

E-waste represents the fastest-growing segment of the solid waste stream nationwide. Indeed, the U.S. Environmental Protection Agency (EPA) states: "European Union estimates indicate that electronic and electrical equipment waste is growing three times faster than municipal solid waste."<sup>1</sup> Because computers, TVs and other electronic goods contain toxic substances – including lead, mercury, cadmium and arsenic – they can pose serious health and environmental threats if they are incinerated or improperly handled or buried. Notably, although e-waste currently represents less than 2 percent of the municipal waste stream, the EPA has estimated that it is responsible for as much as 40% of the lead found in landfills.

It is for this reason that ten states – six in the past year – have now enacted comprehensive electronics recycling legislation. Not only is this a fast-growing national trend, moreover, it is a regional one, with Connecticut having enacted an e-waste law last July, and New Jersey having done so just last week (which the Governor is expected to quickly sign into law). Notably, nine of the ten state e-waste laws are modeled on the same structure as that underlying Intro 104-A. And electronics manufacturers are themselves assuming increasing responsibility for taking back their products at the end of their useful lives. Companies like Dell and Hewlett-Packard (HP) have been running voluntary take-back programs for a number of years, and they are more recently joined by a growing number of others, including Apple and Sony. Similarly, three major electronics brands – Toshiba, Panasonic and Sharp – announced just last week the formation of a company to provide recycling services to manufacturers of electronic products.

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<sup>1</sup> Recycling Frequently Asked Questions. U.S. Environmental Protection Agency. 2006  
[www.epa.gov/eCycling/faq.htm](http://www.epa.gov/eCycling/faq.htm)

As you know, Intro 104-A requires the manufacturer of computers and computer peripherals, TVs, portable digital music players and other specified electronic equipment that sells such goods in New York City to set-up a free "take-back" system to collect and then safely recycle or reuse these items. Such a system could utilize mail-back, drop off locations, collection events or other means; significantly, the bill does not dictate what collection programs manufacturers must use, but rather gives manufacturers the flexibility to design an efficient system tailored to its particular needs and characteristics.

Manufacturers, however, would be required to meet specified minimum collection rates, which phase in and increase slowly over time. These collection standards are critical to ensuring that manufacturers design effective take-back programs that recover the largest possible quantities of end-of-life electronics. Without enforceable collection standards, the Department of Sanitation would have little ability to hold manufacturers accountable for unsatisfactory recycling and reuse programs.

A particular unique feature of Intro 104-A that bears recognition is its reuse provision. The bill would give manufactures double credit in meeting minimum collection rates for any working unit either donated to the City schools or a non-profit organization benefiting low-income children or families in New York City. This gives manufacturers another option for meeting the bill's collection standards, while at the same time benefiting New York City's kids by encouraging reuse over recycling.

Although the Department of Sanitation and other organizations do presently conduct periodic free electronics drop-off events, there is currently no comprehensive system for handling e-waste. Thus, Intro 104-A would fill a crucial need to safely and effectively manage the growing problem of e-waste in New York City. Enactment of this bill would, moreover, further the growing national trend towards comprehensive electronic recycling legislation, and, by being the first municipal law of its kind, would position New York City as a leader in addressing this important environmental and public health concern. And a City bill would also enhance the likelihood that the State Legislature will follow suit, as Assembly Member Colton has testified repeatedly, and join its neighbors in New Jersey and Connecticut in passing a comprehensive e-waste law.

As evidenced by the broad array of witnesses testifying in favor of Intro 104-A, this measure enjoys tremendous support, including among such diverse interests as: legislators from New York and other states, recyclers, retailers, progressive electronics manufacturers, environmental and other policy groups, consumer groups, and charitable groups. The time is now to enact this important measure that will help secure New York City's place as a worldwide leader on environmental matters.

### **III. Overview of Intro 104-A's Principal Benefits**

Briefly, and as set forth in detail in our October 2006 testimony, NRDC supports Intro 104-A because it would:

Protect public health and the health of sanitation workers by removing hazardous substances from our municipal waste stream.

As noted, electronics contain a wide range of toxic substances including lead, mercury and cadmium. Currently, e-waste left out for garbage collection is picked up by Sanitation Department workers and crushed in the back of the City's packer trucks, potentially exposing workers to toxic lead dust which is released when the glass of TV and computer monitors are broken. Also, some of the electronics that are disposed of with the City's trash are burned at the Newark Incinerator only about 10 miles away from Manhattan – a distance easily traveled by mercury, dioxin and other toxic emissions that can be released from the incinerator into our air and water.

Address the fastest growing part of the City's municipal solid waste stream.

Both nationally and locally, electronics represent the fastest growing part of the residential waste stream. Some key statistics include:

- 233 million TVs, computer, and covered accessories are purchased annually in U.S.<sup>2</sup>
- According to the EPA, 40% of lead in landfills may come from discarded electronics.<sup>3</sup>
- Sales of digital televisions were up 11% in 2007 and are projected to rise a further 17% in 2008.<sup>4</sup>

Further, with the termination of analog television broadcasting on February 17, 2009,<sup>5</sup> there is a pending flood of obsolete televisions that will enter the waste stream. In the absence of a comprehensive e-cycling bill in the City, these products will continue to be collected and handled as municipal solid waste, and disposed of in landfills and incinerators.

Appropriately shift the cost of handling electronic waste from taxpayers to manufacturers.

The Sanitation Department currently handles more than 25,000 tons of electronic equipment every year as part of the municipal waste stream, costing taxpayers millions of dollars.<sup>6</sup> This bill not only ensures that electronics are recycled or reused rather than being thrown away, it also appropriately shifts the cost of handling e-waste from the City to the manufacturers of that waste.

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<sup>2</sup> Electronics Waste Management in the United States (Model 1). U.S. Environmental Protection Agency, 2007.

<sup>3</sup> Ecycling Frequently Asked Questions. U.S. Environmental Protection Agency, 2006.  
<http://web.archive.org/web/20061014010021/http://www.epa.gov/ecycling/faq.htm>

<sup>4</sup> Michelle Kessler, Electronics industry gets less traditional. USA Today, January 3<sup>rd</sup>, 2008.  
[http://www.usatoday.com/tech/products/2008-01-03-ces-preview\\_N.htm](http://www.usatoday.com/tech/products/2008-01-03-ces-preview_N.htm)

<sup>5</sup> Federal Communications Commission, [www.dtv.gov](http://www.dtv.gov)

<sup>6</sup> NYC Waste Characterization Study, New York City Department of Sanitation, 2005.  
[http://www.nyc.gov/html/nycwasteless/html/recycling/waste\\_char\\_study.shtml](http://www.nyc.gov/html/nycwasteless/html/recycling/waste_char_study.shtml)

Incentivize manufacturers to develop products that contain fewer toxins and are easier to recycle.

A primary rationale for e-waste legislation like Intro 104-A that is modeled on the so-called producer responsibility concept is that, by requiring manufacturers to take responsibility for taking back and safely recycling their products, it incentivizes the development of products that contain fewer toxic materials and are easier – and therefore cheaper – to recycle.

Indeed, in Europe – where the producer-responsibility based Waste Electrical and Electronic Equipment (WEEE) Directive has been in effect since 2003<sup>7</sup> – empirical evidence shows that legislation imposing producer responsibility on electronics manufacturers has resulted in up-stream design changes to develop less toxic, more easily-recycled products.<sup>8</sup>

Allow the market to develop the most effective and efficient recycling strategies.

By setting aggressive but achievable performance standards that industry must meet and then allowing industry the freedom to design the most efficient electronics take-back and recycling program that meet these standards, Intro 104-A allows the electronics companies to apply their business knowledge to develop the most efficient and cost-effective methods for collection and recycling electronic equipment.

In summary, Intro 104-A provides a comprehensive, cost-effective solution to the growing problem of electronic waste in New York City.

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<sup>7</sup> The WEEE Directive was passed by European Union in 2003, and the deadline for member states to enact implementing legislation was August 2005. “Extended Producer Responsibility: An Examination of its Impact on Innovation and Greening Products,” International Institute for Industrial Environmental Economics (Sept. 2006), pp. 33-34.

<sup>8</sup> Ibid, pp. 14-21.

#### **IV. Intro 104-A Would Further the National and Regional Trend Towards Comprehensive Management of the Growing E-Waste Problem**

As indicated, ten states have now enacted comprehensive e-waste laws,<sup>9</sup> and nine of them have been, like Intro 104-A, based on the producer-responsibility model.<sup>10</sup> Moreover, six of these state laws were passed since the beginning of 2007.<sup>11</sup> Thus, it is clear that there is a real, and growing, national trend towards the enactment of e-waste legislation.

The same trend is taking place on a regional basis. Two of New York's immediate neighbors have recently joined this movement: Connecticut enacted a producer-responsibility-based e-waste law in July of last year, and New Jersey did the same just one week ago today. On a broader regional basis, Maine was one of the very first states to enact e-waste legislation in 2004. And similar legislation is pending or about to be introduced in Vermont, Massachusetts and Rhode Island.

Further, e-waste legislation has been introduced in New York State in each of the past several legislative sessions and is expected to be introduced again in both houses this year. There can be no doubt that passage of Intro 104-A will provide critical momentum towards enactment of a statewide bill sooner rather than later, and could also well inspire similar enactments throughout the region and the country.

And the escalating trend toward sound e-waste management is not restricted to state legislation. A growing number of manufacturers – whether on their own initiative or in response to these state laws – have begun to develop take-back and electronics recycling programs. Computer companies like HP, Dell and Apple have created voluntary take-back programs that allow consumers to return their products at the end of their useful lives for recycling. Sony has recently become the first TV manufacturer to do the same, by partnering with Waste Management to conduct voluntary collection events and create drop-off centers nationwide. And TV manufacturers Toshiba, Panasonic and Sharp announced just last week the formation of a new company to provide a recycling services to electronics manufacturers. In doing so, they stated: “cost-effective and environmentally sound recycling are important for increasing the

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<sup>9</sup> The ten states with e-waste laws are: California, Connecticut, Maine, Maryland, Minnesota, New Jersey, North Carolina, Oregon, Texas and Washington.

<sup>10</sup> The exception is California.

<sup>11</sup> Connecticut (Public Act No. 07-189, enacted July 2007); Minnesota (H.F. No. 854, enacted May 2007); New Jersey (A817, enacted January 2008 (governor signature pending)); North Carolina (S.B. 1492, enacted August 2007); Oregon (H.B. 2626, enacted June 2007); Texas (H.B. 2714, enacted June 2007). The remaining state laws are: California; Maine (Title 38, § 1610, enacted 2004); Maryland (H.B. 575, enacted July 2005); Washington (S.B. 6428, enacted March 2006).

long-term sustainability of the electronics industry and this new company reflects the venture partners' continued commitment to environmental responsibility."<sup>12</sup>

In short, there can be no question that the era of responsible e-waste recycling is well upon us. By enacting Intro 104-A into law, New York City would add to this rising tide and help inspire similar legislation at the state level and in the region.

## **V. Particular Importance of Mandatory Collection Standards**

As addressed, one of the defining elements of Intro 104-A is the tremendous flexibility it provides manufacturers to develop take-back programs tailored to meet their particular needs and characteristics. Indeed, Intro 104-A represents the simplest formulation of producer responsibility, containing almost no specific requirements regarding the details of the plans that manufacturers must develop, leaving them maximum flexibility to design the plans that work the best for them.<sup>13</sup>

For this reason, however, it is absolutely critical that the bill include enforceable mandatory collection standards to ensure that manufacturers are properly incentivized to design plans that will recover the maximum possible quantity of discarded electronic products for recycling or reuse.

The collection standards contained in Intro 104-A are reasonably aggressive, but eminently achievable. Specifically, by three years after the law's effective date, or 2012, manufacturers are required to take back at least 25% by weight of the products they sell on an annual basis; that standard increases to 45% after three more years, or 2015, and by 2018, they must recover at least 65% by weight of their product sold.

The penalties set forth in Intro 104-A for failing to meet these targets are, likewise, severe enough to provide manufacturers with the appropriate incentives, without being unduly onerous. Manufacturers who do not meet the mandatory collection standards will be assessed \$50,000 for each percentage point by which they miss the target. In addition, they must resubmit their take-back plans for Sanitation Department approval. Failure to have an approved plan carries an additional penalty of up to \$1,000 per day.

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<sup>12</sup> Top Electronic Brands Form New Recycling Company. Toshiba. January 6, 2008. <http://www.prnewswire.com/cgi-bin/stories.pl?ACCT=104&STORY=/www/story/01-06-2008/0004731052&EDATE=>.

<sup>13</sup> The bill does, importantly, require that manufacturers specify in their Sanitation Department-approved plans and annual reports the processors they contract with, as well as the specific processes used to recycle their products. By subjecting these practices to Department and public scrutiny, this provision helps ensure that manufacturers do not contract with unscrupulous e-cyclers that send electronics overseas for processing with inadequate safeguards to protect workers and public health. Although federal legislation is needed to actually prohibit this practice, this represents a sound municipal response to a global problem.

There is every reason to believe that manufacturers will easily not only meet, but exceed these standards – and that they will likely do so even in advance of their effective dates. By comparison, last May Minnesota enacted an e-waste law with significantly tougher enforceable collection standards, requiring manufacturers to recover 65% of their product sold within one year after the effective date, and going up to 80% in year two. Clearly, legislators in that state were convinced that manufacturers can, and should be required to, meet aggressive collection goals.

Furthermore, numerous companies have voluntarily set collection goals for themselves that often exceed those required by this bill, indicating that they are realistic and achievable. For example, Sony has committed to recycling one pound of electronics for every one pound sold, achieving in essence a 100% recovery rate. Stan Glasgow, president and chief operating officer of Sony Electronics, has said that, “providing the highest level of service and support doesn’t stop once a purchase is made. We believe it is Sony’s responsibility to provide customers with end-of-life solutions for all the products we manufacture.”<sup>14</sup> And, as already noted, an increasing number of companies have already voluntarily established take-back programs, which demonstrates that they can successfully and profitably do so.

## **VI. Conclusion**

In conclusion, NRDC applauds this Committee and the Council for advancing one of the nation’s most progressive electronics recycling and reuse bills, and being the first city in the country to do so. By enacting Intro 104-A, the Council will not only go far toward addressing a real and growing environmental and economic concern for New York City, but it will also join the increasing national and regional trend toward comprehensive management of electronic goods at the end of their useful lives.

I thank you for the opportunity to testify today. And we look forward to continuing to work with both the Council and the Administration on this important legislation.

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<sup>14</sup> Sony Establishes First Nationwide Electronics Recycling Program With Waste Management’s Recycle America. Sony. August 16, 2007.

**STATEMENT OF TED SMITH  
Chair, Electronics TakeBack Coalition**

before

New York City Council Committee on Sanitation & Solid Waste Management

*In Support of*

Intro 104 – A Local Law to require electronics manufacturers to develop post-consumer recycling and reuse systems for New York City electronic waste

Monday, January 14, 2008

Good afternoon, Chairman McMahon and members of the committee. My name is Ted Smith and I am Chair of the Electronics TakeBack Coalition (formerly the Computer TakeBack Campaign). This name change reflects an expansion of our focus not just on the computer industry, but on green design and responsible recycling for all consumer electronics. We are a national coalition made up of dozens of environmental, health and consumer groups that are committed to protect the health and well being of electronics users, workers, and the communities where electronics are produced and discarded by requiring consumer electronics manufacturers and brand owners to take full responsibility for the life cycle of their products, through effective public policy requirements or enforceable agreements. For additional information, please visit our web site at <http://www.computertakeback.com/>.

I want to thank you for the opportunity to testify in support of Intro. 104—legislation that would require electronics manufacturers to accept used and unwanted electronics from New York City consumers and either recycle or reuse those products. Intro. 104 is a critical step toward reducing the toxic materials in our waste stream and our ambient environment. By introducing cradle-to-cradle accountability for manufacturers and empowering citizens to conveniently recycle unwanted electronics, the bill would set ground-breaking standards for e-waste management in New York.

I am here today to support Intro 104 because I believe that this will not only serve the people and the environment of New York City, but it will also send an important message to other states and cities that are currently considering similar legislation. In the absence of strong environmental leadership in Washington, D. C., it is essential to enact and implement progressive legislation to help address the e-waste “tsunami” that is engulfing our country. Here’s the bad news: in February 2009, the federal mandate from the FCC to switch from analog to digital signals for TV reception is going to create an enormous spike of new e-waste coming into the waste stream as millions of Americans will discard their old analog TVs in favor of the new digital TVs. All you have to do is watch any TV program today to realize that we are being inundated by commercials urging people to rush out and buy the latest digital TV. So there is an environmental imperative for New York City to pass this legislation as soon as possible to make sure that you are ready for the new glut of electronic waste that is already beginning to flow.



Specifically, I believe that there are several compelling reasons to enact this legislation:

### *1. Key Benefits of E-Cycling Generally*

- Takes toxic-containing electronic products out of the municipal waste stream, where they currently end up in landfills or incinerators.
  - Information about product electronics toxicity can be found on the Electronics Takeback Coalition's website ([link](#)).
- Electronics are the fastest growing part of the residential waste stream:
  - 233 million TVs, computer, and covered accessories are purchased annually in U.S (Source: U.S. Environmental Protection Agency).
  - According to the EPA, 40% of lead in landfills may come from discarded electronics.
  - Sales of digital televisions were up 11% in 2007 and are projected to rise a further 17% in 2008 (Source: Consumer Electronics Association). US Consumers are expected to buy **32 MILLION digital TVs in 2008**.
  - With the shut off of analog television broadcasting on February 17, 2009, we need to prepare solutions for the pending flood of obsolete televisions.
- Electronics recycling reduces health risks to the public. Currently, a significant portion of New York City's e-waste is burned in the Newark incinerator. The incinerator's releases blow back into New York City.
- Electronics recycling reduces danger to sanitation workers, who may face particular risks when discarded equipment is crushed.

### *2. Key Benefits of the Producer Responsibility Approach*

- By requiring manufacturers to internalize the costs of recycling, producer responsibility encourages the design of less toxic, more recyclable products. This approach also makes the market work to encourage redesign for recyclability.
- 
- Producer responsibility allows the market to develop the most effective and efficient recycling strategies. In Silicon Valley, we have heard from industry leaders for many years that they prefer an approach that sets policy goals and sets standards, but then allows the companies to determine the best way to achieve those goals and standards.
- Producer responsibility properly shifts costs from City and taxpayers to manufacturers
  - New York's Department of Sanitation currently disposes of 25,000 tons of e-waste annually
- This approach is part of growing trend across the country

- Eight states have producer responsibility bills, including 5 enacted in the past year (MN, OR, NC, TX, CT; WA, ME and MD are the other three). New Jersey passed a producer responsibility bill last week, that is awaiting the governor's signature. This is particularly important, given the fact that several of the key television companies that have to date opposed producer responsibility have their US headquarters in New Jersey.
- Numerous other states are considering such measures, including NY, WI, MA IL, VT, NH) and others will introduce e-waste bills before the end of the month.
- A New York City bill will help encourage passage of effective state law in New York, as well as in the region and perhaps nationally.
  - At the same time, this would be a unique as the only municipal measure – and with New York City's more than 8 million residents, Intro. 104 would cover more people than any other producer responsibility bill to date.

### 3. *Benefits of Intro. 104 specifically*

- One of the most important innovations contained in Intro 104 is that it offers a 2 for 1 credit if manufacturers donate working, modern computers to schools or to non-profits that help low-income New Yorkers. This will go a long way to encouraging more re-use, which everyone agrees is the best environmental strategy.

### *Mandatory Collection Goals*

- This bill represents the simplest formulation of producer responsibility, leaving maximum flexibility for manufacturers to design the plans that work the best for them and providing very few specific plan requirements
  - For this reason, however, this bill **must have mandatory, enforceable collection goals to ensure that manufacturers have an incentive to create comprehensive plans.** To date, the volume of electronic waste that is collected and processed throughout the U.S. when compared to sales is miniscule. We need to achieve a goal that assures that recycling rates equal sales over time. The only way to accomplish this is to enact effective mandatory collection standards.
- Minnesota has recently enacted a law that has even more aggressive e-waste collection standards, requiring manufacturers to recover 60% after 1 year and 80% after two years of the program. While some manufacturers complained that these goals were too high, actually we are hearing that some companies will meet their goals well before the end of the first year.
- In addition, numerous companies have voluntarily set collection goals for themselves that often exceed those required by this bill, indicating that they are realistic and achievable

- Sony has committed to a long-term goal of recycling 1lb of electronics for every 1lb sold.
  - Stan Glasgow, president and chief operating officer of Sony Electronics (U.S.) has said that, “providing the highest level of service and support doesn’t stop once a purchase is made. We believe it is Sony’s responsibility to provide customers with end-of-life solutions for all the products we manufacture.”
- Today Dell offers free mail back for their old computers and monitors or anything with Dell’s name on it. Apple takes back old computers and monitors from customers buying new ones.

### *Enforcement*

- The bill as drafted provides considerable penalties for failure to have a plan approved by DOS:
  - \$1,000 per day for each day that a manufacturer fails to have an approved plan, *i.e.*, up to \$365,000 per year.
- It also exacts significant penalties for failure to meet specified collection standards
  - \$50,000 for each percentage point below the collection standard
  - Manufacturers would also be required to submit a new plan that will achieve the standards (failure to have approved would implicate the additional penalties above).
- Again, because of the tremendous flexibility afforded to manufacturers to develop plans to meet their particular needs and situations, strong enforcement measures are necessary to ensure that manufacturers design viable, comprehensive plans.

### *Export*

- By requiring manufacturers to report annually on the processors they contract with, as well as the specific processes used to recycle their products, this measure helps ensure that manufacturers do not contract with unscrupulous recyclers that send electronics overseas for processing.
- Ultimately, this is an issue that must be addressed at the federal level, but this measure should help safeguard against export to developing countries.

### *4. There is Broad Support for Intro. 104*

- As evidenced by the broad array of witnesses testifying in favor of Intro. 104, this measure enjoys tremendous support, including among such diverse interests as:
  - Legislators from NY and other states
  - Recyclers
  - Retailers
  - Environmental and other policy groups
  - Consumer groups
  - Charitable groups

For further information, please contact me at the following address:

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**TESTIMONY OF LAWRENCE A. MANDELKER on behalf of  
THE NEW YORK METROPOLITAN RETAIL ASSOCIATION (NYMRA) before the  
COMMITTEE ON SANITATION AND SOLID WASTE MANAGEMENT**

**Chair: Michael E. McMahon  
Monday, January 14, 2008, 1:00 p.m.  
City Hall – Council Chambers**

**NYC COUNCIL INT. NO. 104-A  
RECYCLING OF ELECTRONIC EQUIPMENT**

Chairman McMahon and Members of the Committee, I am testifying on behalf of the New York Metropolitan Retail Association known as NYMRA. Our members are national chain retailers operating in the City of New York. Many of our members sell covered electronic equipment. Several of them do so under their own brand name.

We have testified twice before concerning this bill and its predecessor. As in the past we are in general agreement with the conceptual framework of manufacturer responsibility being proposed. Nevertheless, because most of our members operate nationally and develop their business practices on that basis and because of the cross border aspects of distributing and selling consumer electronics, we would much prefer to see a uniform national approach to the important task of handling electronic equipment at the end of its life. But if the City is prepared to pass its own version of a management of electronics bill, we are very supportive of the approach you are considering. However, that being the case, we would urge the Council to provide a sunset provision in the event that various state and national efforts result in the adoption of a law governing recycling of electronic equipment in New York City.

**SCOPE**

Management of electronic waste is extremely challenging and involves a balancing of many different interests. We believe that at the outset New York City should concentrate on HOUSEHOLD WASTE and that the scope of electronics addressed be minimized<sup>[p1]</sup> in order to address this in a way that is most easily attained, provides benefit to the consumer and the most benefit to the environment. By starting with a more limited scope and running a successful program, you can add more product at later dates. Our recommendation is to align the definition more closely to what was passed in MN<sup>[p2]</sup> where it covers video display devices with a screen size greater than 9". These devices present the largest source of lead, mercury, chromium, cadmium and beryllium. If we can get the management of these devices' electronic waste right, it will be relatively easy to add on peripherals and smaller devices. We therefore recommend that the definition of covered electronic waste be revised to cover only visual display devices with a screen size greater than 9".

## **DEFINITIONS**

In a large part because many of my members are not only retailers, but would be considered manufacturers because of their private label brands, we would like to comment on how the term "manufacturer" should be defined as follows:

"Manufacturer" means any person, who, irrespective of the selling technique used, including by means of remote sale:

- a) manufactures covered electronic devices under its own brand for sale in the United States;
- b) manufactures covered electronic devices for sale in the City of New York without affixing a brand;
- c) resells under its own brand name or label in the City covered electronic devices manufactured by another, unless the firm or entity which manufactured the covered electronic devices sold under the brand name or label of the reseller meets the labeling and registration requirements of this act;
- d) imports covered electronic devices into the United States. However, if a company or licensee from whom an importer purchases the covered electronic device has a presence in the United States and/or assets, that company or licensee shall be deemed to be the manufacturer; or
- e) manufactures covered electronic devices, supplies them to any person or persons within a distribution network that includes wholesalers or retailers in the City, and benefits from the sale in the City of New York of those covered electronic devices through that distribution network.

This new definition allows those of my members that are brand owners of to be responsible for their product. Under the previous definition, it left ambiguity as to if it would be the product owner or the licensee that is held responsible. My members that own private label brands want to have this responsibility not those that may possess a license for their brands.

## **PERFORMANCE STANDARDS**

We are troubled by the concept of performance standards as articulated in §16-424. Manufacturers cannot require consumers and small businesses to discard their unwanted electronics. It would be unfair to impose liability on a manufacturer based on the unwillingness of consumers to discard their unwanted electronics.

An appropriate way to assess a manufacturer's responsibility would be to determine how much it collects over a calendar year and compare it with the manufacturer's national market share for the previous calendar year, extrapolated against the City's population. A manufacturer would receive a credit for collecting over and above its market share. The credit could be, either carried over to the next

year, redeemed for cash or sold. A manufacturer would be charged for failing to collect its market share.

## **COMPLIANCE**

NYMRA and our national partner, the Consumer Electronics Retailers Coalition have previously shared with the members of the Committee our concerns regarding the practicalities surround the ability of retailers to comply with this law. But it cannot be overstated how difficult it is for retailers who rely upon regional distribution to properly allocate products to jurisdictions with varying laws to be sure that the covered equipment they sell has been properly labeled by the manufacturer. If the requirement that manufacturers label each and every item sold in the United States were to be imposed by federal law, that concern would be ameliorated. In the absence of that approach, it is very difficult for a retailer who distributes in numerous local jurisdictions to assure that every item sold is properly labeled. Consumers will not purchase new devices from open cartons and the costs and difficulty of unsealing, and resealing cartons to confirm that each and every item is properly labeled would be overly burdensome to any retailer.

The Department should be required to notify retailers when manufacturers' electronic waste management plans are either approved or disapproved. Retailers should be able to rely upon such notification by the City that manufacturers of the items either are or are not in compliance with the law.

Finally, retailers should not be required to maintain, and disseminate at the point of sale, the recycling plan for each manufacturer of each item of covered equipment that it sells. But retailers are totally supportive of wanting to play an important role in consumer education. We are ready to assist the Department in promoting information on recycling options for consumers - whether that is referring customer to the Department's website, toll-free number or other relevant information through our websites and other practical and feasible means of sharing information.

I thank the Committee for this opportunity to testify, and hope that my comments will be taken into consideration as you move forward in considering this bill. Should you need any assistance that NYMRA is able to provide, we will be more than happy to do so. Thank you again for this opportunity to testify.

Submitted by Lawrence A. Mandelker  
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1/14/08

**Testimony of Hewlett-Packard Company**

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**Re: Proposed Int. No. 104-A**

**In relation to the collection for recycling, reuse and safe handling  
of electronic equipment in the city of New York**

**Sanitation and Solid Waste Management Subcommittee  
of the New York City Council**

**Council Chambers, City Hall  
New York, NY**

Thank you for giving Hewlett-Packard Company (HP) the opportunity to submit this testimony in connection with your consideration of Int. No. 104-A.

While we applaud the City Council's effort to encourage the recycling of electronic equipment, and we come to this issue with our own demonstrated commitment to recycling, HP cannot endorse either local legislation on this issue or many of the particulars of Int. No. 104-A.

The most effective electronics recycling regulation should be enacted at the federal level - but if not, at least at the State level - and not on the basis of a one-city approach. A local approach might be appropriate in other sectors in which the City has important interests but in the case of electronics recycling it will likely prove unworkable and unsuccessful.

However, if New York City chooses to enact its own legislation despite our views, we make the following five recommendations for revisions to Int. No. 104-A:





## 1. Performance Standards Are Not Feasible

Section 424(a) requires each manufacturer to recycle a pro-rata share of its average annual sales of electronic equipment in New York City, including a pro-rata share of "orphan" waste. This standard is unworkable and should be omitted for numerous reasons, including the following:

- Manufacturers simply cannot require that users recycle equipment they have purchased; a given manufacturer would be penalized because its customers choose not to recycle their used equipment.
- There is no fair and accurate way to measure sales in New York City due to the wide range of supply chains and sales outlets. The Department of Sanitation is not equipped to measure market share - any attempt to do so would be extremely costly, difficult and probably unsuccessful.
- This approach essentially seeks to penalize the private sector for behavior over which they have no control.

Along these lines, the reporting requirement for New York City sales data, under Section 428(a)(ii), is also not realistic or feasible, as manufacturers have no way of obtaining city-specific sales information. Accordingly, this requirement must be omitted.

The appropriate recycling standard is to require manufacturers to offer recycling to consumers for all company branded covered electronic equipment that is returned by users, regardless of what percentage of sales this represents.



HP has one of the most successful examples of such a take-back program and we stand by it as a clear demonstration of our commitment and what is realistic for manufacturers to do in the absence of a federal solution. Our program has been acclaimed in the environmental community and more broadly - yet under the proposed text of Int. No. 104-A, there is no assurance that this program would comply with New York City requirements. As such, HP may be forced to have one program that works for the entire country, and another New York City only program. Having separate systems for consumers depending on which city they reside in will cause confusion and unnecessarily increase the cost of products in some jurisdictions.

In the event that any performance standards are included in the regulations, they should be based on data collected on the amount of electronics actually returned for recycling by consumers. HP suggests that prior to instituting any specific performance standards, manufacturer reporting should be required for 5 years, followed by evaluation of whether individual manufacturer goals are necessary.

## **2. Definitions of Various Terms Must Be Added or Clarified**

Consumer: A new definition should be added as follows:

"Consumer" means any occupant of a single detached dwelling unit or a single unit of a multiple dwelling unit (a household) who has used a covered device primarily for personal or home business use.

Covered Equipment: Delete peripherals from the definition. Printers, keyboards, electronic mice, and portable digital music players represent only a small portion of the waste stream and do not pose the same environmental concerns of the other products. If there is a single lesson to be learned from the City's experience implementing Local Law 19, it is that a phased approach is most likely to receive consumer acceptance and ensure a reasonable measure of success.



Accordingly HP strongly suggests that for the first year following the effective date, the regulations should only apply to televisions, computer monitors and notebook computers. In following years, other products should be evaluated for possible phase in, taking advantage of any lessons learned in the earlier implementation. HP would be willing to work with the City to develop appropriate evaluation criteria for adding additional products to the scope of this proposal.

Covered Entities: A new defined term should be added to mean “those entities that are entitled to recycling of electronic waste under Section 423(b)”.

Recycling / Electronic Recycler: Smelting is an acceptable form of material recovery and should be included in these definitions. The definitions of “electronic recycler” and “recycle” should be revised to state that “smelting of electronic materials to recover metals for reuse is an authorized recycling method”.

### **3. Qualified Entities Should Be Consumers and Home Businesses**

Section 423 should be revised to clarify the types of entities that will be eligible for free recycling – namely individual consumers home businesses. Not-for profit organizations and for-profit businesses need to accept the responsibility and realize that recycling used electronic equipment is a cost of doing business. HP and other manufacturers already offer take back services to business customers and institutions. The legislation does not need to address these entities, which already have adequate services available. Additionally, the meaning of the term “contractual agreement” as used in this section is unclear and creates the impression that in some situations businesses may be entitled to free recycling. This term should be should be deleted.



For Section 423(b), HP would suggest language such as the following:

A manufacturer or a retailer selling to a non-household consumer in the City must offer recycling services to the non-household consumer entity; the terms and conditions, including collection methods, packaging requirements, pricing and timing, of the service shall be negotiated between the seller and the purchaser. Recycling services for non-household consumers may be priced at the reasonable cost of the service.

With respect to delivery (Section 423-c-1), it should be noted that a number of manufacturers, including Hewlett Packard, have significant recycling collection programs currently in place. To force manufacturers to adopt new systems is overly burdensome and costly - any legislation must allow manufacturers to organize, implement and manage their own collection systems. Furthermore, the Department of sanitation should be afforded broad discretion to approve Company efforts that have already proven to be workable.

**4. Reporting Requirements should be for total weight of electronics that is recycled**

Information on the weight of each type of electronic equipment collected, as currently required by Section 428(a)(iii), has no practical or legal significance under the proposed law. It is extremely expensive and burdensome to sort and separately weigh each type of equipment, with no apparent benefit in terms of the objectives of the legislation. This section should be revised to require manufacturers to report total weight collected.

**5. A Preemption Provision Should Be Included to Encourage Uniform Legislation with Respect to Electronics Recycling**

A pre-emption provision is important to assist in the achievement of uniform, consistent electronic equipment recycling programs across the state or the country.



A uniform state or federal program would provide a sound electronic equipment recycling program for New York City.

Thank you for your consideration of these comments. I would be happy to assist in further improving the bill and can be reached at 202-378-2508.

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REMARKS OF  
FRAN VALLUZZO  
DELL INC.  
ON  
INTRO 104-A  
ELECTRONICS RECYCLING LEGISLATION  
BEFORE  
NEW YORK CITY COUNCIL  
COMMITTEE ON SANITATION AND SOLID WASTE MANAGEMENT  
JANUARY 14, 2008

Mr. Chairman, Members of the Committee, my name is Fran Valluzzo. I am Manager of State and Local Government Relations for Dell Inc. We appreciate the opportunity to appear before this committee today to comment on Intro 104-A, and on the issue of electronics recycling generally.

Dell has long been concerned about the impact computer equipment can have on our environment when not disposed of properly. We recognize our responsibility to offer recycling programs for the products we make and sell, and want to make the recycling of used computer equipment as easy for customers as the purchase of new equipment.

### **Dell Donation**

Through Dell's partnership with the National Cristina Foundation, any consumer or business can donate working, used computer systems to charity in exchange for a possible tax deduction. The National Cristina Foundation places donations of used technology with local non-profit organizations and public agencies that service disabled and economically disadvantaged children and adults. Computers that may no longer be useful for you may have several years of life left in them for a non-profit or public agency. Dell works with NCF's global partner network to offer donation to customers in Brazil, Canada, France, Ireland, the United States and the United Kingdom, and is continually seeking to expand availability to new markets.

### **Dell Recycling**

Dell offers consumers globally free and convenient recycling program. Dell offers consumers free recycling of any Dell-branded computer equipment at any time. With purchase of a new Dell computer or printer, consumers can also take advantage of free recycling of other brands of used

computer equipment. Recycling is managed by Dell's recycling partners, who are required to adhere to Dell's high environmental standards. Dell also partners with Goodwill Industries in a number of states in a project called ReConnect, under which Goodwill collects unwanted and unused computers and Dell either recycles unusable computers, providing Goodwill with the proceeds from the recycled materials, or refurbishes usable computers which Goodwill can either sell or donate.

### **Consumer Education**

To help educate consumers about the importance of reusing and recycling computers, Dell is a partner in the Environmental Protection Agency's national education campaign called the Rethink Initiative. The Rethink Initiative offers a fresh perspective on the challenge of e-waste, with information, tools and solutions that make it easy to sell, donate, or recycle used computers and electronics.

### **DELL CONCERNS WTH INTRO 104-A**

With more than a decade of experience in dealing with end-of-life issues for our products, Dell is well positioned to address why we believe Intro. 104-A should not be enacted as currently written.

Let me preface my comments on specific sections of the bill by stating that Dell believes that electronics recycling is a national, indeed a GLOBAL issue, and thus should be dealt with through national legislation. We understand that that state and local policymakers may want to act in the absence of federal action, but we believe that such actions should be at the state, not the municipal levels. We believe that enactment of dozens of municipal electronics recycling



laws will result in jurisdictionally-specific requirements that are costly for manufacturers to implement in a global market, and for consumers, who ultimately pay those costs. Dell does not believe that they are the most efficient and effective means of achieving the national goal of ensuring that no computer goes to waste.

Having said that, let me also say that Dell has been an active participant in discussions on Intro. 104 and other recycling legislation. We have met with members and staff of the City Council and the Mayor's Office to articulate our concerns and to discuss alternative models for electronics recycling. We have submitted very specific proposals amending Intro 104 to address our concerns. A number of our suggested changes have been incorporated at least in part in this current version of the legislation. I want to publically thank the Council and the Mayor's Office for their serious consideration of the concerns we have raised on this important issue.

Dell, however, cannot support Intro 104-A as written. I would like to briefly comment on two specific areas of the bill that we believe have not been adequately addressed in the current bill: **performance standards and the scope and applicability of the bill.**

### **Performance Standards**

**Dell believes that the performance standards under Sec. 16-343h are unworkable, complex, costly and almost impossible to comply with.**

1. The provisions mandating achievement of a "minimum collection rate" are arbitrary and unreasonable because at this point, there is no substantive data to determine what is a

reasonable “collection rate.” Dell believes that the collection program should be operated for at least 5 years in order to collect reliable data on collection rates by manufacturers. At that point, reasonable collection rates can be developed that will reflect true return levels by consumers.

2. A manufacturer cannot meet a minimum collection rate if consumers simply refuse to turn in their covered devices for whatever reasons. In some cases, it is concern over personal data on hard drives; in other cases, it is the belief that the computer may be usable again in the future. Under the current version of the bill, manufacturers can be penalized hundreds of thousands of dollars under Sec. 16-427(d)(v) if consumers decide not to avail themselves of the free recycling offered by manufacturers. Manufacturers should not be penalized because of human nature.
3. Standards for electronic waste management programs should be based on **mandatory actions by the manufacturers, not arbitrary results**. Manufacturers should have the flexibility to adopt innovative collection systems that work best for them and encourage consumer use of the system by making them convenient. Financial penalties of this magnitude just take resources away from recycling programs without substantially increasing results.

### **Program Scope and Applicability**

**Dell believes that the scope and applicability of the program are too broad. Dell strongly supports providing recycling services to household consumers at no charge. But Intro 104-**

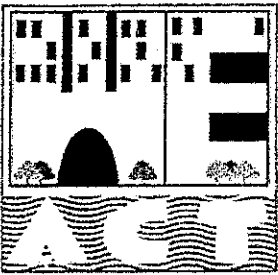
**A should not extend this requirement to all “consumers,” including businesses, governments, non-profits, and other entities.**

1. Requiring manufacturers to provide free recycling to ALL customers—household, business, government, non-profits, etc.—will overwhelm the current system that many large manufacturers have in place for household consumers, causing confusion and frustration among these consumers as well as other customers.
2. No state that has passed an electronics recycling law has provided for such broad applicability as does Intro 104-A. Most states limit the free recycling to household consumers or small businesses only.
3. Businesses and governments currently must comply with federal and state resource conservation laws, so they are already managing end-of-life disposal of computer products as a part of doing business.
4. Businesses, governments and other entities can avail themselves of manufacturers’ product recovery services, such as Dell’s Asset Recovery Services that businesses have used for more than a decade. Often, businesses require value-added security and data protection services that are not available under the household consumer recycling programs. And a business or other entity can obtain product recovery services from any vendor, not just from the manufacturer of the products it is disposing.
5. Moreover, the landfill ban in the bill will further incent businesses to purchase product recovery services from manufacturers or other vendors in order to properly dispose of old computer products.

6. The provision in the bill to allow a charge for service under a “contractual arrangement” is essentially meaningless, since a business has no incentive to purchase product recovery services for a fee if the law requires manufacturers to provide the services at no charge.

### **Conclusion**

Mr. Chairman, we thank you for the opportunity to present our views, not only in this forum, but in other meetings over the past months. We look forward to continuing to work with you and others on this important issue. I would be glad to answer any questions you might have.



FOR THE RECORD

WEST HARLEM ENVIRONMENTAL ACTION

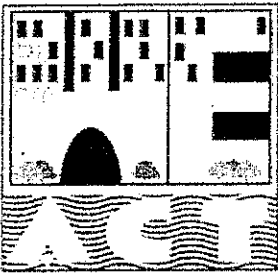
**BEFORE THE NEW YORK CITY COUNCIL  
ENVIRONMENTAL PROTECTION COMMITTEE  
TESTIMONY OF JULIEN TERRELL ON INTRO. 104  
January 14, 2008**

My name is Julien Terrell, and I am, among other things, the coordinator of WE ACT's community efforts to ensure responsible and sustainable solid waste disposal. On behalf of WE ACT, I thank, Councilmember de Blasio, Chairman McMahon and the Sanitation and Solid Waste Management Committee for spearheading this effort to advance New York City's role as a world leader in environmental stewardship and sustainability planning. I am here to express WE ACT's strong support for Intro. 104, a groundbreaking legislation that will decrease the exposure of New Yorkers to toxic chemicals and heavy metals as well as provide New Yorkers with a mechanism for responsibly recycling or disposing of their unwanted electronic equipment.

My colleagues have informed you about the tremendous volume that electronic waste contributes to our landfills and incineration facilities. So, I will focus my comments on the impacts that this waste has on low-income communities of color like Northern Manhattan and the South Bronx. Each year, NYC Department of Sanitation (DOS) picks up 21,840 tons of e-waste. Some of this e-waste is sent to landfills, and some is sent to incineration facilities in New Jersey and other localities. No matter where this e-waste ends up, toxic heavy metals such as mercury, lead, arsenic, and chromium are released – either as leachate that pollutes soil and groundwater in the case of landfills or air pollution in the case of incinerators – into the environment. Because solid waste disposal facilities are primarily located in or create airborne pollution drifts to low-income communities of color, our communities are disproportionately impacted by this pollution. Thus, our residents are exposed to the havoc that heavy metal pollution can wreak on human health; effects that can include cancer, damage to the brain and nervous system, and muscle weakness.

Intro. 104 will help NYC begin to deal with some of the environmental problems e-waste presents by creating a strong incentive for manufacturers to find a way to efficiently collect electronic equipment that they sell so that they will not end up in landfills and incinerators. Ultimately, when manufacturers realize the enormous cost of disposing of these dangerous heavy metals, they will find ways of reducing or altogether eliminating their use from consumer products. Importantly, Intro. 104 promises a way to reduce e-waste without forcing consumers or New York City taxpayers from shouldering the cost because manufacturers, not DOS, will have to develop and fund e-waste collection programs.

Intro. 104 has received wide support from manufacturers and retailers, because it gives manufacturers great flexibility to design collection programs that make sense for their business. However, because of this flexibility, it is vital that the Council adopt the full suite of enforcement mechanisms that the bill presently includes. Key to the success of this enforcement scheme is the presence of dedicated DOS staff whose responsibilities must include ensuring full compliance and the ability to impose stiff penalties for noncompliance.



## WEST HARLEM ENVIRONMENTAL ACTION

The need is great and the time is ripe for passage of strong e-waste legislation such as Intro. 104. With the Congressional mandate for broadcasters to broadcast only in high-definition by 2009, the volume of e-waste will increase greatly over the next year as consumers discard their analog television and associated equipment in exchange for the digital equipment necessary to receive such signals. Government entities in states like Minnesota, Washington, and Maine have already adopted very tough e-waste legislation, as have countries such as Japan, South Korea, and the European Union. Moreover, manufacturers such as Sony and Hewlett-Packard have implemented effective end-of-life solutions for e-waste. In the past few years, NYC has proven itself to be a leader in environmental stewardship and sustainability. Intro. 104 will send a strong message of NYC's strong commitment to a comprehensive effort to protect the environment and health of all its citizens.

Please vote yes on Intro. 104 and maintain the momentum our strong environmental laws have created.

Testimony by the Lower East Side Ecology Center at the City Council  
January 14, 2008  
Intro 104

Good afternoon, Mr. Chairman. My name is Christine Datz-Romero. I am the executive director of the Lower East Side Ecology Center, a local not-for-profit organization, that has offered community based recycling programs in NYC since 1987 and computer recycling programs since 2003.

I am here today to offer our strong support for Intro 104 and I would like to urge the City Council to adopt this law, which sets goals and timetables for achieving certain **recycling rates**. The minimum collection rate of 25% of the sales volume, based on weight, for 2012 is a very realistic and these targets are expanding to 45% by 2015 and 65% by 2018.

We have seen other state governments enact legislation with even higher goals and tighter timetables, such as Minnesota, requiring a 65% recovery after 1 year and 80% after 2 years into the program. It is interesting to note that MN is also the place where a recent electronic waste drive in the Mall of America collected over 1.5 million pounds - or 750 tons - of e-waste, in a little more than a day.

Together with recycling targets, the way collected materials are being handled, if you may '**recycling standards**', are also very important. Recyclers need to adhere to environmental and worker safety standards and avoid exporting of collected materials as well as the use of prison labor. Recycling done right will create viable jobs for the City and the region. We strongly support safeguards the bill provides, requiring manufacturers to report on the processors used and their downstream vendors. Ultimately, this issue needs to be addressed in a comprehensive way through federal legislation.

Electronic devices contain many toxic substances - according to an EPA study 70% of toxins found in landfills come from electronics, which in turn make up only roughly 1% of landfills by volume. Intro 104 is based on the principle of '**extended producer responsibility**', making manufacturers responsible for the end of life of their products, which in turn gives them an incentive to reduce the toxicity of their products. I do not think it is a coincident that for example the biggest manufacturer of processors - Intel - proudly introduced its first lead free processor in 2007! LESEC strongly support the EPR concept and we believe it to be the most sustainable approach to the growing problem of obsolete electronics disposal.

Enacting legislation, based on the extended producer responsibility principle is also a growing trend and follows the European lead. In the past year five states (MN,OR,NC,TX,CT) passed such legislation. Additionally, several other states including NJ, MA and IL are considering legislation.

When NJ enacts its electronic waste recycling bill (Senate Bill 554) New York City will also be affected. The NJ bill will ban the disposal of electronics in landfill and resource recovery facilities. Since all garbage collected curbside in Manhattan is currently going to the Newark Incinerator, there is a possibility that NYC garbage trucks will be turned away since they contain electronic waste. All the more reason to enact Intro 104 now!

One unique aspect of NYC electronic waste recycling bill is the incentive it creates for the **reuse of electronic equipment**. Any computer, no older than three years and in full working condition will count double towards achieving the performance targets. Such reuse candidates need to be donated free of charge to either the NYC Department of Education or benefit low-income families affiliated with not-for-profit organizations. Besides from helping to close the digital divide that exists in our society, this provision will also create additional jobs and job training opportunities.

In closing I would like to share LESEC accomplishments in 2007 as it relates to electronic waste recycling: We have pioneered a new concept for the collection of electronic waste, tailored to the specific needs of New Yorkers by offering free collection events that span three days in a variety of neighborhoods. The events run on Saturdays and Sundays from 10 a.m. to 4 p.m. and Mondays from 4 p.m. to 7 p.m. to facilitate community participation and to raise awareness about the need to dispose of electronics in an environmentally responsible matter.

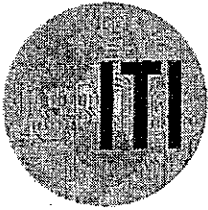
We offered sixteen such events in diverse neighborhoods, collecting 115 tons of unwanted electronics from over 3,500 participants: From Park Slope to Greenwich Village, Harlem to Fort Greene, Flatbush to the Upper East Side, we were met with the same reaction: Finally a convenient place to recycle in my neighborhood! – That was the consensus of many participants. In the process we have also educated countless more people about e-waste recycling and raised awareness about this issue.

Additionally we have created a partnership with Build It Green, a reuse warehouse in Astoria, Queens, where people can drop off electronics free of charge on an ongoing basis.

Currently, we are developing a program to examine the reuse potential of equipment collected through our program, and we anticipate implementing a pilot in April of 2008.

We like to acknowledge the support we received from Councilmember Bill DeBlasio, one of the main sponsors of Intro 104, providing funding to offset the recycling fees incurred through such events as well as in-kind support for the events. In the coming month we will contact the City Council, and we are hoping that other members of the Council will step forward and support the growth of our community-based program.





# Information Technology Industry Council

Leading Policy for the Innovation Economy

**Testimony of Richard Goss**  
**Vice President of Environment & Sustainability**  
**Information Technology Industry Council**  
*before the*  
**Committee on Sanitation & Solid Waste Management**  
**New York City Council**  
**January 14, 2008**

Thank you Chairman McMahon and members of the Committee for the opportunity to participate in today's hearing. The Information Technology Industry Council (ITI) represents numerous major manufacturers of computers, televisions, video display devices, printers and other electronic equipment. Our member companies have long been leaders in innovation and sustainability. Many of our members exceed requirements on environmental design and energy efficiency, and lead the way in product stewardship efforts. As a result, such prestigious indices as the Dow Jones Sustainability Index, the Financial Times Sustainability Index and the Global 100 have consistently recognized numerous ITI members for their concrete environmental and sustainability achievements.

On behalf of our membership, we would like to express our serious concerns and share our recommendations regarding certain provisions of Introduction 104 on electronics recycling. While we recognize that the City of New York is within its authority to enact its own requirements, we do not support city-level action on what is fundamentally a national or, at a minimum, a statewide issue.

Our industry approached Congress in 2005 to promote the need for a federal solution to this challenge. We emphasized the importance of consistent requirements in order to facilitate compliance, establish a level playing field and avoid a patchwork of costly and inconsistent state and local requirements. Most importantly, we advocated a system under which all major stakeholders – manufacturers, retailers, government, non-governmental organizations and recyclers – combine efforts to develop a recycling infrastructure that is convenient for the residential consumer.

Should the City nonetheless decide to act, we ask that you consider the following:

- 1. Adopt Performance Goals, not Performance Standards.** Our membership has significant concerns regarding the performance standards included in this proposal. Introduction 104 fails to recognize that manufacturers are typically several steps removed from the end-users of our products. We rely on a national network of wholesalers, distributors and retailers to get our products into the hands of millions of consumers. This is particularly true in New York City, where retailers often deliver and install equipment in households.

Since manufacturers have virtually no capacity on our own to distribute products in the City, we also have virtually no capacity to provide for local collection. Introduction 104, however, imposes high performance standards on manufacturers while simultaneously burdening us with the sole legal and financial obligation to collect used electronics. This measure would direct manufacturers, most of which have no physical presence in the City, to single-handedly develop, fund, manage and implement a parallel solid waste management infrastructure solely for electronics.

Manufacturers will thus be compelled to pay inflated prices to collectors and other business entities in order to meet these mandates. This will simply increase our costs without resulting in any additional benefits to consumers or to the environment. Since manufacturers cannot simply absorb these higher costs, we will have to pass them along to consumers in the form of higher prices for new products.

Furthermore, the system established under this approach will be confusing and inconvenient for consumers. For example, the proposal would require a manufacturer to accept a used covered device whenever selling a new comparable device. As noted already, in almost every instance the manufacturer is not the entity making the final sale. This provision links purchasing and recycling, yet forces the consumer to make separate arrangements for each transaction. For comparison, the European Union's recycling directive requires the retailer to offer take-back of a similar product on a one-to-one basis when selling a new device to a household consumer.

Finally, it is also critical to note that these performance standards, which are mandatory for manufacturers, rely on the voluntary participation of consumers. These devices are private property. Manufacturers cannot compel private citizens to turn in their property at all, let alone according to some statutory schedule. Introduction 104, however, also imposes significant civil penalties on manufacturers that fail to meet these mandates. To penalize manufacturers for the actions (or non actions) of others is a violation of due process.

Should the City nevertheless decide to make manufacturers solely responsible for collecting used products, it cannot couple that mandate with performance standards. We have no capacity in place to provide for local collection in the City, no reasonable or cost-effective way to develop this capacity on our own, and no authority to compel consumers to relinquish private property.

- 2. Focus the Product Scope.** The current product scope is too broad. ITI believes that any recycling approach should begin with products whose presence in the waste stream and associated collection and recycling costs are well known, and that other devices should be considered for inclusion only once a recycling infrastructure is efficiently operating. Therefore, ITI suggests limiting the scope of the bill to desktop computers, laptop computers, computer monitors and televisions sold to or generated by households.

- 3. Cover Household Products.** Government, businesses and institutions are already required by law to properly manage certain obsolete electronics equipment. Furthermore, non-household consumers often request additional services for their recovered products, such as special data security measures; asset tracking and management services; on-site pick-up, and; particular reuse or refurbishment services. These conditions increase the cost and complexity of collection and recycling and differentiate these institutional customers from households.

Accordingly many of the providers of business-to-business (B2B) products and systems already include product recovery services in their contracts and have developed programs that allow for non-household entities to select a level of service and convenience. The services provided for recycling are a cost of doing business for the non-household entity. Mandating that manufacturers offer these services for free to B2B customers will hinder our ability to provide them as a part of the sale. Legislation should not interfere with the successful practices in place for B2B products, nor should it apply to commercial, medical, industrial, governmental or other devices not used in a residential setting.

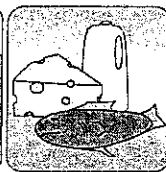
- 4. Preserve the Competitive Marketplace.** Our members have significant concerns regarding any electronics recycling legislation that disrupts the market playing field by imposing costly requirements on some manufacturers today while delaying obligations for others. Under the approach set forth in Introduction 104, manufacturers are responsible for recycling their own branded products that are generated as waste within the City. This is a particular issue for televisions, given that their average life-span is over 15 years. This requirement obligates established market participants to cover major costs now, while giving many of their new competitors a free ride for years. While the average life-span of computer equipment is shorter - six to eight years on average - this also represents a concern for some IT manufacturers.

We do not believe it is the role of government to interfere with fair market competition. This proposal, however, would have that exact effect. Notably, there are several newcomers in the television market that already possess significant market share. This legislation will hand these companies a competitive advantage over established manufacturers, since their branded products will not appear in the City's recycling stream for years. ITI's electronics recycling policy calls for a visible fee on new sales of televisions to provide for the proper recycling of legacy televisions while preserving market balance. We would be pleased to discuss this or other equitable approaches to finance the appropriate recycling of used televisions.

Finally, ITI and our members have previously shared additional suggestions regarding some of the definitions and other requirements in Introduction 104. We would like to see these specific issues resolved should the City Council proceed on this measure.

Thank you for the opportunity to share the input and recommendations of high-tech manufacturers on Introduction 104. Please feel free to contact me at 202-626-5724 or [rgoss@itic.org](mailto:rgoss@itic.org) if you would like to discuss any of these issues in further detail.

# CLEAN NEW YORK



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A Project of Women's Voices for the Earth

## Testimony by Bobbi Chase Wilding To the Sanitation & Solid Waste Management Committee Of the New York City Council About Int. 104-A, which addresses recycling, reuse and safe handling of electronic equipment sold in NYC.

Good Afternoon. Thank you for the opportunity to present testimony on the important issue of recycling, reuse and safe handling of electronic equipment in New York City.

My name is Bobbi Chase Wilding, and I am the Organizing Director for Clean New York, a state-level organization dedicated to achieving broad policy and market changes to protect our families, our health and the environment from toxic chemicals while directly engaging with and empowering women to be involved in this transformation. Clean New York is also a part of the JustGreen Partnership, a broad, diverse, growing collaboration of over 30 labor, community, environmental, environmental justice, health affected, and other organizations, to tackle the challenge of chemical hazards and needed policy and market transformations. Other members of the Partnership include WE ACT for Environmental Justice, NRDC, the New York State Nurses Association, and the New York City Environmental Justice Alliance. A full listing of JustGreen's members are included in my written testimony.

### JustGreen Partnership: [www.just-green.org](http://www.just-green.org)

Alliance @ IBM  
Arbor Hill Env. Justice Corp.  
Cancer Resource Center of the Finger Lakes  
Citizens For A Clean Environment  
**Clean New York**  
Clean Production Action  
Coalition to End Lead Poisoning - NYS  
Communication Workers of America Local 1701  
Community Action Organization - Center for Env. Justice  
Community Health & Env. Coalition of Long Island  
Empire State Consumer Project

**Environmental Justice Action Group of WNY For a Better Bronx**  
Garrison Institute  
Great Lakes United  
**Healthy Schools Network**  
**Huntington Breast Cancer Action Coalition**  
**Learning Disabilities Association of NYS** and local chapters:  
*Central New York*  
*Life & Learning Services of Rochester*  
*New York City*  
*Southern Tier*  
*Western New York*

*Wildwood Programs (Capital District)*  
Natural Resources Defense Council  
New York City Environmental Justice Alliance  
New York State League of Conservation Voters  
**NYS Nurses Association**  
Parents Against Lindane  
Prevention is the Cure  
Rochesterians Against the Misuse of Pesticides  
United Steelworkers Dist. 4  
**WEACT for Env. Justice**  
W. Haywood Burns Env. Education Center

### **Bold indicates Steering Committee Members**

**Individuals (affiliation for identification only)**  
Katrina Korfmacher, PhD  
Environmental Health Sciences Center of the University of Rochester Medical Center  
Joseph Gardella, PhD  
Professor of Chemistry, State University at Buffalo  
Ward Stone, Wildlife Pathologist, NYS DEC

Clean New York applauds the Council for advancing a policy to address the growing challenge of electronics waste. We are particularly pleased that it requires manufacturers to be

responsible for the lifecycle of their products and sets meaningful, enforceable recycling benchmarks.

As a state-level group that is pressing for state action on e-waste, Clean New York is keenly interested in seeing the City implement electronics recycling requirements. As New York City accounts for nearly half of the state's total population, your action will have important consequences for the State. Therefore it is essential that New York City implement the strongest, most protective possible law.

The growing reliance on electronic devices, and the rapidity with which they either become obsolete because of technological advances or cease to function properly, leads to a burgeoning - and toxic - waste challenge. As things now stand, roughly only 12 and a half percent of electronic waste is recycled - in other words, only about 330,000 tons out of 2.63 million tons of e-waste were recycled in 2005, according to the US Environmental Protection Agency. Because of its toxic ingredients - including lead, mercury, brominated flame-retardants, and chlorinated solvents - when e-waste reaches landfills and incinerators it posed further dangers to our health and the environment. Electronic waste is the source of an estimated 40% of all heavy metals in landfills, which can leach out and contaminate precious drinking water supplies. A significant amount of New York City's e-waste is incinerated in Newark. Emissions from this incinerator blow back directly to New York City neighborhoods.

In light of these ongoing health and environmental threats, and the new drive to dump older televisions when the FCC-mandated switch to digital broadcast signals occurs in 2009, real action is needed now.

We strongly support the passage of New York City Council Intro. 104-A for the following reasons:

**Extended Producer Responsibility:** It rightly places responsibility for recycling with the manufacturer of electronic devices.

- By becoming responsible for their own waste, EPR programs encourage manufacturers to design their products to be easier to recycle, use fewer materials in the production process, cost less to dispose of, and potentially, easier to reuse as parts.<sup>1</sup>
- Extended producer responsibility is the market standard in the European Union, the largest single economy in the world. Companies have implemented free recycling/take-back programs here in the U.S., including Dell, Apple, and most recently, Sony - the first TV manufacturer to start such a program.

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<sup>1</sup> Clean Production Action's report, *Extended Producer Responsibility: A waste management strategy that cuts waste, creates a cleaner environment and saves taxpayers money* documents numerous examples of the ways in which companies have done just that around the world. Available at: [www.e-takeback.org/docs%20open/Toolkit\\_Legislators/EPR/EPRtoolkitCPA.pdf](http://www.e-takeback.org/docs%20open/Toolkit_Legislators/EPR/EPRtoolkitCPA.pdf)

- It allows the market to develop the most effective and efficient recycling strategies.
- By requiring manufacturers to create programs, it keeps the burden off of state and local government and taxpayers, who currently bear this burden.

Action by the City is part of a growing trend, and can speed action at the state level.

In 2002, the European Union enacted the Waste Electronic and Electrical Equipment Directive, which requires producers to recover and recycle electronics. In the last year alone, five states passed EPR electronics laws, and just last week New Jersey joined their number, bringing total to nine. New York State has been debating various approaches to tackling this complicated issue, and considers electronics recycling a top priority for this session. New York City's action will play a key role in the decision made in Albany this year.

Intro. 104-a promotes re-use first before recycling by giving a 2 for 1 credit toward recycling goals for manufacturers who donate modern, working computers to schools and non-profits that help low-income New Yorkers.

**Setting concrete performance measures is important, especially for this simple and direct formulation of producer responsibility – which leaves manufacturers wide latitude to determine the best way for them to implement recycling and collection.**

Because of this flexibility, it is vital to set real, achievable, enforceable recycling requirements that manufacturers must meet, and Clean New York strongly supports Intro 104-a.

- Producer ability to achieve recycling requirements is demonstrated in the EU WEEE Directive, as well as voluntary goals some companies have set – and exceeded – for themselves; goals which are tougher than what is proposed in Intro 104-a. Sony has committed to recycling a pound of electronics for every pound of electronics it sells.
- As discussed here today, Minnesota has established much more aggressive requirements than in Intro 104-a. – collecting 65% of the weight sold in the first year, and 80% after two years.

We must not export our e-waste to developing countries. Basel Action Network has documented the havoc that e-waste “recycling” wreaks on the health and well-being of communities around the world. While not specifically forbidding this, Intro 104-a creates an accountability measure that requires manufacturers to generate annual reports about who processes their collected e-waste, as well as the processes used to recycle their products. This should help ensure that unscrupulous electronics recyclers are not employed to do this important work, and that waste is not sent abroad.

Clean New York strongly urges your vote in favor of this introduction, and we look forward to a positive Council-wide vote on the 30<sup>th</sup>. Thank you very much for your time.



# Computers for Youth

We Bring Learning Home

## Hearing on Proposed Int. No. 104-A

### Sanitation & Solid Waste Management Committee

New York City Council

January 14, 2008

#### Testimony by Bill Rappel, Director of the Affiliate Network and Legislative Affairs Computers for Youth ([www.cfy.org](http://www.cfy.org))

Thank you Chairman McMahn, Councilmember de Blasio and members of the committee for giving me the opportunity to testify in support of Int. 104-A. My name is Bill Rappel and I am the Director of the Affiliate Network and Legislative Affairs at Computers for Youth.

A national non-profit, Computers for Youth was established in 1999 in New York City. In our short history, we have distributed more than 11,000 computer-based *home learning centers* to families in more than 20 school communities. Thanks in large part to the Council's continued support, Computers for Youth will be serving 2,400 low income New York City families this school year.

CFY's mission is to improve the learning environment at home and increasing parental involvement in learning. To help us achieve this mission, we accept computer donations from NYC-based corporations such as Goldman Sachs and Time Warner. These donated computers are then transformed into computer-based *home learning centers*, which are designed by software experts and tested by students and education executives from around the country.

By the end of this school year, CFY will have increased the number of New York City families we serve by 20%, which means we will have increased our demand for donated computers by more than 20%. The more families we serve, the more computers we need, and CFY's constituents are just a drop in the bucket of demand for recycled computers. There are many other Microsoft Authorized Refurbishers (MARs), nonprofits, and community based organizations with constituents whose technology needs are not being met. This legislation would go a long way to helping all of us meet the tremendous demand that exists for this equipment.

The bill's language regarding "re-use" is essential. Corporations and manufacturers must be given incentives to support organizations like CFY. We cannot compete against the for-profit recyclers for equipment. They can pay corporations for the equipment and then sell the same technology to overseas markets at a huge profit. The same technology often ends up polluting the environment of developing countries that lack the necessary resources to properly dispose of the toxic components.

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As I mentioned earlier, Computers for Youth has distributed more than 11,000 computers nationwide. At an average of 35 pounds per computer CFY has diverted 385,000 pounds of e-waste from American landfills. One recent student who received his computer in 2001 came back to us to let us know he is bringing it to college with him. One example of many who are benefiting from the re-use of technology.

Int. 104-A is a great first step in helping to rid U.S. landfills of toxic equipment and also to assist organizations like CFY to help meet the needs of thousands of families who desperately need useable technology in their home.

Again, thank you for the opportunity to represent Computers for Youth, **we applaud you for taking the lead on such an important initiative.**