

Senator Sams introduced--

S.F. No. 1424: Referred to the Committee on Finance.

1 A bill for an act

2 relating to environment; authorizing annual adjustment
3 of dry cleaner environmental fees; amending Minnesota
4 Statutes 2004, section 115B.49, by adding a
5 subdivision; repealing Minnesota Statutes 2004,
6 section 115B.49, subdivision 4a.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

8 Section 1. Minnesota Statutes 2004, section 115B.49, is
9 amended by adding a subdivision to read:

10 Subd. 4b. [FEE ADJUSTMENT.] Notwithstanding section
11 16A.1285, each fiscal year the commissioner shall adjust the
12 fees in subdivision 4 as necessary to maintain an annual income
13 to the account of \$650,000.

4 Sec. 2. [REPEALER.]

15 Minnesota Statutes 2004, section 115B.49, subdivision 4a,
16 is repealed.

17 Sec. 3. [EFFECTIVE DATE.]

18 Sections 1 and 2 are effective July 1, 2005.

APPENDIX
Repealed Minnesota Statutes for 05-2481

115B.49 DRY CLEANER ENVIRONMENTAL RESPONSE AND REIMBURSEMENT ACCOUNT.

Subd. 4a. Interim fees. For the period from July 1, 2001, to June 30, 2003, the commissioner shall, after a public hearing, but notwithstanding section 16A.1285, subdivision 4, annually adjust the fees in subdivision 4 as necessary to maintain an annual income of \$650,000.

Senators Ruud and Gaither introduced--

S.F. No. 149: Referred to the Committee on Environment and Natural Resources.

1 A bill for an act

2 relating to firearms; authorizing the use of silencers
3 to muffle discharges of firearms for natural resource
4 wildlife control; amending Minnesota Statutes 2004,
5 section 609.66, subdivisions 1h, 2.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

7 Section 1. Minnesota Statutes 2004, section 609.66,
8 subdivision 1h, is amended to read:

9 Subd. 1h. [SILENCERS; AUTHORIZED FOR LAW ENFORCEMENT AND
10 NATURAL RESOURCE WILDLIFE CONTROL PURPOSES.] Notwithstanding
11 subdivision 1a, paragraph (a), clause (1), licensed peace
12 officers and natural resource officers may use devices designed
13 to silence or muffle the discharge of a firearm for tactical
14 emergency response operations. Tactical emergency response
15 operations include execution of high risk search and arrest
16 warrants, incidents of terrorism, hostage rescue, and any other
17 tactical deployments involving high risk circumstances. The
18 chief law enforcement officer of a law enforcement agency that
19 has the need to use silencing devices must establish and enforce
20 a written policy governing the use of the devices.

21 Sec. 2. Minnesota Statutes 2004, section 609.66,
22 subdivision 2, is amended to read:

23 Subd. 2. [EXCEPTIONS.] Nothing in this section prohibits:
24 (1) the possession of the articles mentioned by museums or
25 collectors of art or for other lawful purposes of public

1 exhibition; and

2 (2) the possession, use, and transportation of a silencer

3 by a government natural resource management agency for the

4 purpose of wildlife control. The principle director of each

5 natural resource management agency that has a need to use

6 silencing devices must establish and enforce a written policy

7 governing the use of the devices.

1 Senator moves to amend S.F. No. 149 as follows:

2 Delete everything after the enacting clause and insert:

3 "Section 1. Minnesota Statutes 2004, section 97B.031,
4 subdivision 4, is amended to read:

5 Subd. 4. [SILENCERS PROHIBITED.] Except as provided in
6 section 609.66, subdivision 1h, a person may not own or possess
7 a silencer for a firearm or a firearm equipped to have a
8 silencer attached.

9 Sec. 2. Minnesota Statutes 2004, section 609.66,
10 subdivision 1h, is amended to read:

11 Subd. 1h. [SILENCERS; AUTHORIZED FOR LAW ENFORCEMENT AND
12 WILDLIFE CONTROL PURPOSES.] (a) Notwithstanding subdivision 1a,
13 paragraph (a), clause (1), licensed peace officers may use
14 devices designed to silence or muffle the discharge of a firearm
15 for tactical emergency response operations. Tactical emergency
16 response operations include execution of high risk search and
17 arrest warrants, incidents of terrorism, hostage rescue, and any
18 other tactical deployments involving high risk circumstances.
19 The chief law enforcement officer of a law enforcement agency
20 that has the need to use silencing devices must establish and
21 enforce a written policy governing the use of the devices.

22 (b) Notwithstanding subdivision 1a, paragraph (a), clause
23 (1), an enforcement officer, as defined in section 97A.015,
24 subdivision 18, who is a licensed peace officer, at specific
25 times and locations that are authorized by the commissioner of
26 natural resources may use devices designed to silence or muffle
27 the discharge of a firearm for wildlife control operations that
28 require stealth. If the commissioner determines that the use of
29 silencing devices is necessary under this paragraph, the
30 commissioner must:

31 (1) establish and enforce a written policy governing the
32 use, possession, and transportation of the devices;

33 (2) limit the number of the silencing devices maintained by
34 the Department of Natural Resources to ten; and

35 (3) keep direct custody and control of the devices when the
36 devices are not specifically authorized for use."

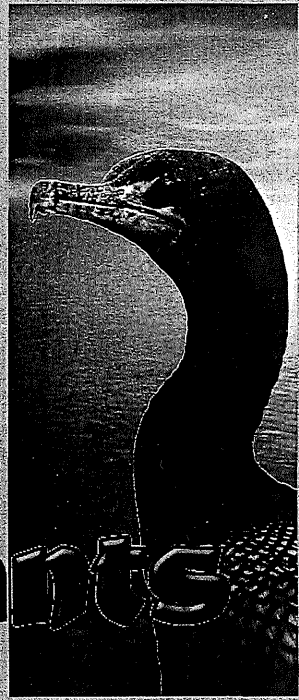
1 Amend the title as follows:

2 Page 1, delete line 5, and insert "sections 97B.031,

3 subdivision 4; 609.66, subdivision 1h."

Minnesota

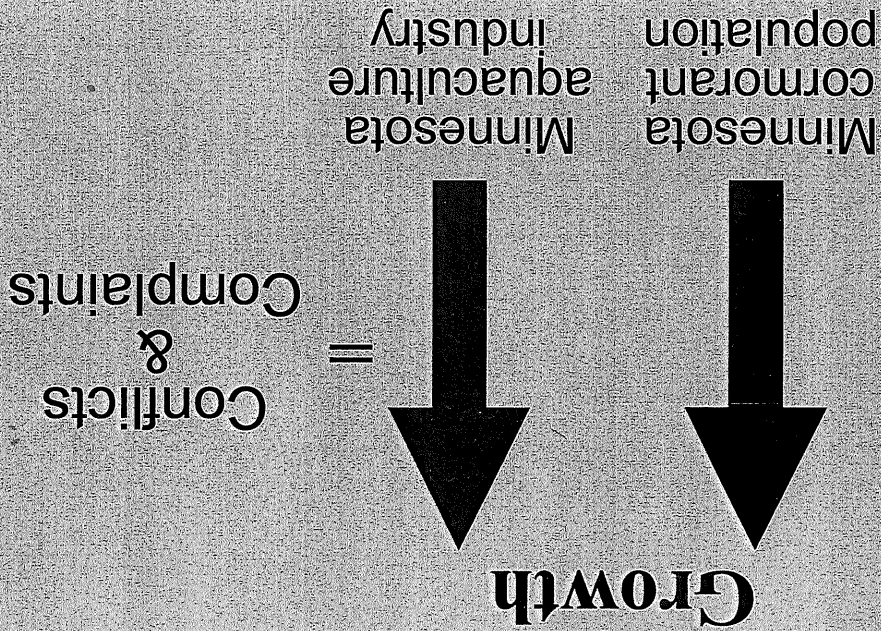
Cormorants



- **Cormorants are not protected under Minnesota state law (M.S. 97A.015, subd. 52).**
- **Cormorants are federally protected under the 1972 amendment to the Migratory Bird Treaty Act (16 U.S.C. 703).**

1998 U.S. Fish and Wildlife Service Established the Aquaculture Depredation Order

- Authorizes aquaculture producers and state/federal hatchery operators in 13 states (including Minnesota) to shoot cormorants "committing or about to commit depredations to aquaculture stocks" on their property
- Annual "take" in Minnesota under the Aquaculture Depredation Order has ranged between 1200 and 2200 birds per year



Meanwhile...

Growing concern among commercial and recreational fishing interests that the continued growth of cormorant populations was negatively impacting fish resources

This led to:

- **Preparation of a Federal Environmental Impact Statement by the U.S. Fish and Wildlife Service addressing Double-crested Cormorant Management in the United States.**

Public Resource Depredation Order

Establishes conditions under which authorized agents (i.e., Tribes, State Fish & Wildlife agencies and the U.S. Department of Agriculture) may take actions that reduce the occurrence and/or minimize the risk of adverse impacts to public resources (fish, wildlife, plants and their habitats) caused by double-crested cormorants

In November 2003

- The U.S. Fish and Wildlife Service published its final FIS in which it selected its preferred alternative.
- Alternative D: Establish a new depredation order to address public resource conflicts

**Various conditions apply
including . . .**

- **Landowner's permission is required**
- **No federal permit is needed but the USFWS must be notified of actions**
- **Additional reporting requirements must be met if the action would cumulatively take more than 10% of the cormorants in a breeding colony**

**So what have been the
consequences of the Public
Resource Depredation
Order in Minnesota?**

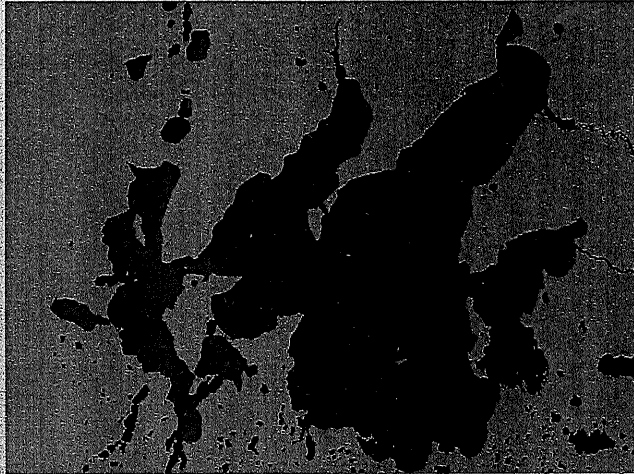
Results of the 2004 Field Survey

- 16, 152 nesting pairs were found at 35 nesting colonies throughout the state
- Colonies are found on Lake Superior and on many of the larger inland lakes (Lake of the Woods and Leech Lake)
- Nesting colonies are also found on islands in smaller inland lakes

In March 2004 . . .

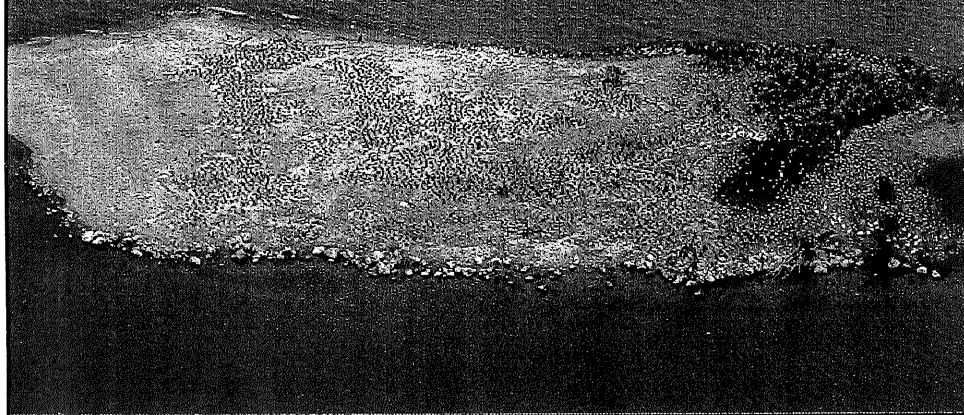
- We convened the "authorized agents" (tribes, USDA and DNR along with UM researchers) to discuss our state strategy for the 2004 field season
- Outlined several tasks including . . .
 - Implement a statewide population survey
 - Support the Leech Lake Tribe in its efforts to reduce breeding habitat for cormorants to mitigate their impacts on breeding common terns

Leech Lake



Little Pelican Island, Leech Lake

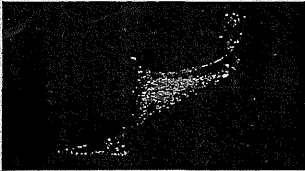
- 3 acres in size
- Owned by Leech Lake Band
- Common tern colony (MN threatened)



Leech Lake Fish Population
Status 2004

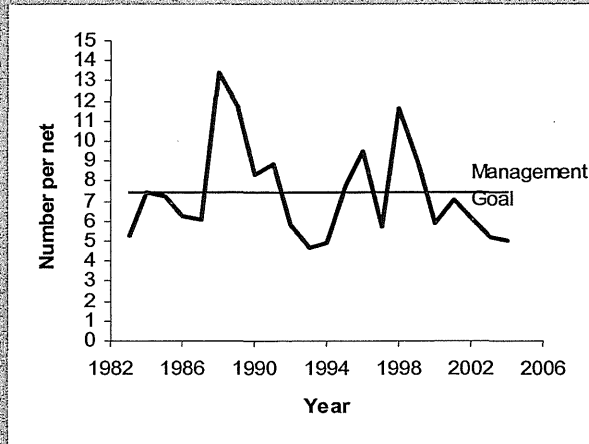
- Overall walleye abundance is below population goals
- No strong walleye year-class since 1997
- There are very few small walleye (<15") in the main lake
- Walleye fishing tough for the past 3 years
- Walleye broodstock is healthy
- Yellow perch abundance has also declined in the main lake

Leech Lake



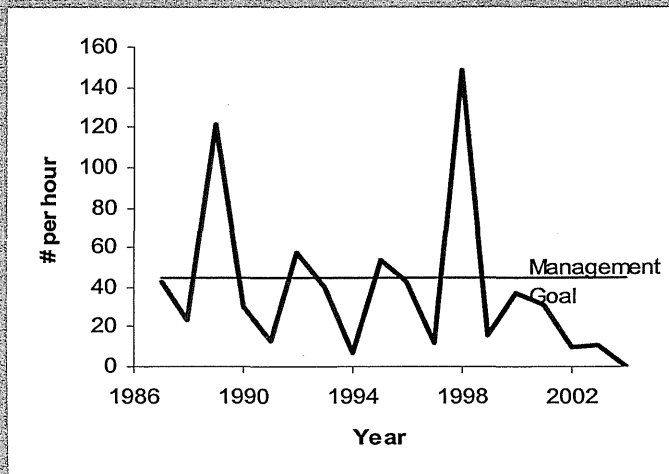
- Cormorant population grew from 73 nests in 1998 to a little over 1,100 in 2003 to 2,524 in 2004
- The tribe is attempting to reduce cormorant habitat in order to increase tern habitat

Walleye

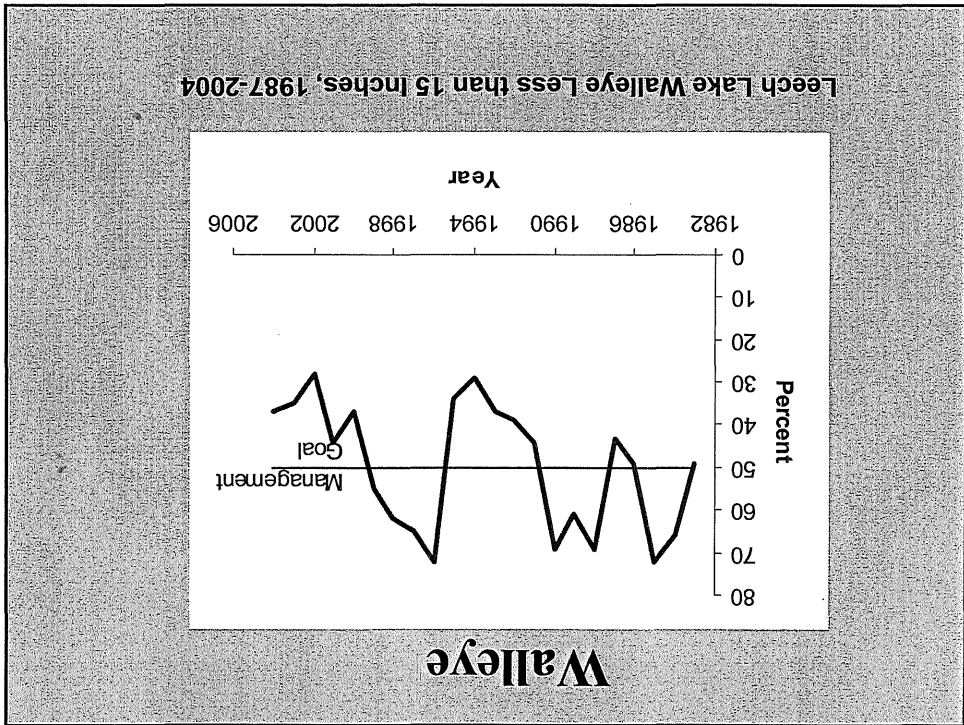
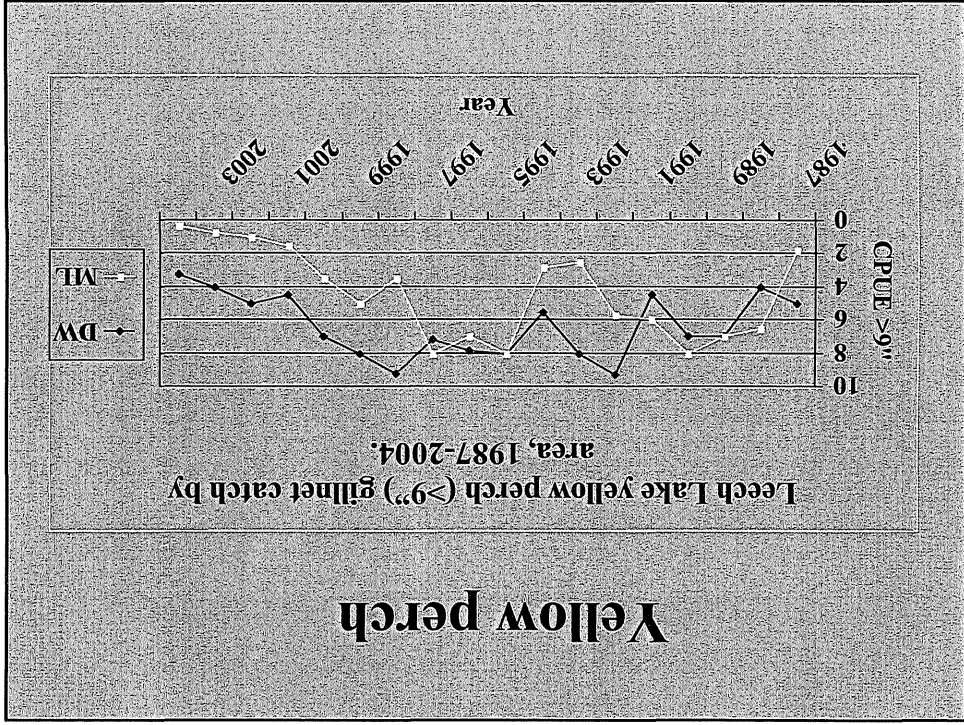


Leech Lake Fall Test Netting Catch Rate, 1987-2004

Walleye

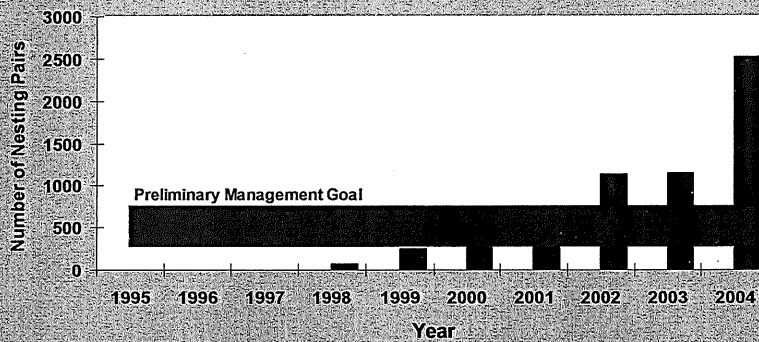


Leech Lake Age-1 Trawl Catch Rate, 1987-2004



Nesting Pairs of Cormorants on Leech Lake

with Preliminary Target Population Range



Cormorant Management Plan Next Steps

- **Complete Federal EA and public review this winter**
- **Develop effective control strategies to reduce Leech Lake population by 70-90%**
- **Begin control program in 2005**
- **Continue cormorant diet study initiated in 2004**

Leech Lake Action Plan

2005-2010

- Special Regulations to protect broodstock (18-26" PSL: 4 bag)
- Cormorant control program
- Experimental fry stocking
- Habitat protection and management

Senators Neuville and Hottinger introduced--

S.F. No. 1351: Referred to the Committee on Environment and Natural Resources.

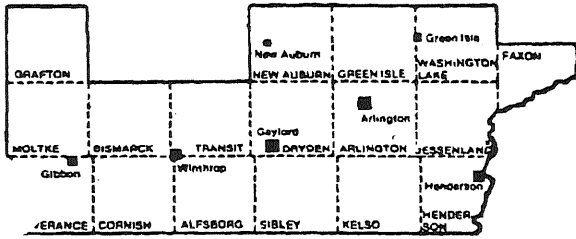
1 A bill for an act

2 relating to the environment; amending Minnesota
3 Statutes 2004, section 103E.701, by adding a
4 subdivision.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

6 Section 1. Minnesota Statutes 2004, section 103E.701, is
7 amended by adding a subdivision to read:

8 Subd. 5b. [REPLACEMENT OF A BRIDGE OR CULVERT.] In a
9 repair proceeding, if the drainage authority finds that
10 restoring a bridge or culvert would not be adequate for modern
11 farming practices, the drainage authority may order a new bridge
12 or culvert constructed with a greater load capacity or greater
3 width, if all landowners directly benefiting from the
14 replacement first agree in writing to be responsible for the
15 difference between the cost to restore the bridge or culvert and
16 the cost of replacement.



OFFICE OF THE

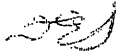
*Sibley County Attorney*307 N. PLEASANT AVE.
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DAVID E. SCHAUER, County Attorney

DONALD E. LANNOYE, Assistant County Attorney

AARON JONES, Assistant County Attorney

TO: Senator Thomas Neuville
Fax No. 651-296-9441

FROM: David E. Schauer 
Sibley County Attorney

DATE: March 29, 2005

RE: Support for Senate 1351

I regret that I am unable to attend in person the committee hearing on March 30, 2005, at noon. I have another meeting with the DNR regarding County Ditch 61 which has taken over a month to set up and could not be changed on such short notice due to the number of parties involved.

I strongly support your proposed amendment as found in Senate 1351. As I shared with you in the past, the problem Sibley County is encountering is that many of our drainage systems were established in the early 1900's (1930 to 1950). The bridges designed for these systems were adequate for farming practices back then (8 to 10 ton bridges and narrow widths), but are no longer adequate for modern farming practices (farming with 24 feet plus combine heads, semi-trucks, etc.). In fact, most farm equipment probably exceeds the load capacity of these old bridges. Further, technology has changed. Now crossings can be made by concrete culverts rather than bridges at less cost and there are better structural materials for bridges.

The proposed amendment addresses these concerns. It allows for the replacement of bridges with culverts and it allows for the increase in load capacity or width of bridges or culverts. Also, by utilizing the repair procedure under the ditch law, rather than the improvement procedure, there will be less cost to the ditch systems and landowners who are assessed. I would assume this is fairly non-controversial. The economic impact is directed to the benefited landowner or landowners and not to the government entity such as the ditch system.

Once again, I strongly support Senate 1351 and I thank you for bringing it forward. This amendment should assist every ditch system and ditch authority in the State of Minnesota in making these farm crossings safe.

**Senate Counsel, Research,
and Fiscal Analysis**

G-17 STATE CAPITOL
75 REV. DR. MARTIN LUTHER KING, JR. BLVD.
ST. PAUL, MN 55155-1606
(651) 296-4791
FAX: (651) 296-7747
JO ANNE ZOFF SELLNER
DIRECTOR

Senate

State of Minnesota

S.F. No. 1298, Delete-Everything Amendment - Waste Electronics Recycling

Author: Senator Linda Higgins

Prepared by: Greg Knopff, Legislative Analyst *gk*
phone: 651-296-9399 fax: 651-296-7747
e-mail: gregory.knopff@senate.leg.state.mn.us

Date: March 20, 2005

Section 1 [Recovery and Recycling of Waste Electronic Products] establishes a manufacturers responsibility for recovery and recycling of waste electronic products.

Subdivision 1. [Definitions] provides definitions of "board," "cathode-ray tube," "full truckload," "Hennepin County Study," "household," "intermediate consolidation point," "manufacturer," "manufacturer brands," "manufacturers' abandoned waste," "orphan waste," "pro rata share," "sell, sale, or sold," and "video display device."

Subdivision 2. [Manufacturer Responsibility] provides that beginning March 1, 2006, all manufacturers must:

1. collect their pro rata share of video display devices (cathode-ray tube or flat panel device with a screen over eight inches), including their share of orphan waste, and manufacturer abandoned waste;
2. ensure that the collection of video display devices is conducted without charge;
3. ensure that the video display devices are reused, refurbished, or recycled; and
4. inform purchasers of video display devices of opportunities for reuse, refurbishment, or recycling.

This subdivision allows manufacturers to comply with the requirements through their own program or through a representative organization of manufacturers.

Subdivision 3. [Manufacturer Registration and Retailer Certification] provides that beginning January 1, 2006, and annually thereafter, a manufacturer may not sell video display devices in Minnesota unless the manufacturer:

1. permanently labels the video display device with the manufacturer's brand;
2. annually registers with the director; and
3. certifies that it is in compliance with the manufacturer's responsibilities under subdivision 2.

Retailers who sell video display devices must certify, by February 1, 2006, and annually thereafter, that they have reviewed the Office of Environmental Assistance (OEA) Web site and determined that the manufacturer's brand is registered. The director of the OEA may revoke a manufacturer's registration, if the manufacturer is not in compliance with this section, and may charge a registration fee to cover the OEA's administration costs. By January 1, 2007, the OEA shall publish on its Web site the results of the brand sort authorized by the Electronics Recycling Joint Powers Board created in subdivision 7.

Subdivision 4. [Manufacturer Reporting] requires reporting by manufacturers to the OEA beginning February 1, 2007, on video display devices from Minnesota households:

1. the number and pounds of video display devices collected during the preceding year, including the number and pounds reused, refurbished, and recycled; and
2. a general description of the processes and methods used to reuse, refurbish, and recycle the video display devices.

A manufacturer who fulfills its responsibilities through a representative organization may satisfy this requirement through the organization.

Subdivision 5. [Performance Standards] specifies the goal of the state to ensure that all video display devices discarded by households are collected, and reused, refurbished, or recycled. This subdivision also establishes annual video display device collection goals. They are:

1. by December 31, 2006, .0375 video display devices per resident;
2. by December 31, 2007, .055 video display devices per resident; and
3. by December 31, 2008, .060 video display devices per resident.

Subdivision 6. [OEA Duties] establishes the following duties of the OEA:

1. by November 1, 2005, establish procedures for registering and maintaining registrations on the OEA Web site;
2. by February 15, 2007, and each year thereafter, assess the progress in meeting the performance standards; and
3. by December 1, 2007, and every other year thereafter, report to the Legislature on the progress in meeting the performance standards.

The report on December 1, 2007, shall include an assessment of the ratio of discarded cathode-ray tubes to other discarded video display devices and a recommendation for minimum standards for 2009 and 2010. This subdivision also grants expedited rulemaking authority for the director of the OEA to adopt rules to establish methodologies to be used to fairly distribute and document manufacturers' duties under this section.

Subdivision 7. [Electronic Recycling Joint Powers Board] provides for the establishment of an Electronics Recycling Joint Powers Board, under the Joint Powers Act, for the purpose of coordinating and administering the requirements of this section. The Board shall include one county commissioner from each congressional district selected by the Governor. The Board shall have the powers of counties and is given the following duties:

1. by September 15, 2005, seek at least 15 applications for establishing intermediate collection points, including at least 10 from outside the metropolitan area;
2. by November 15, 2005, establish a list of intermediate collection points and make the list available to manufacturers;
3. within six months of enactment, establish reporting requirements for intermediate collection points;
4. beginning March 1, 2006, coordinate the pickup of full truckloads of video display devices by manufacturers;
5. by January 15, each year, calculate and verify the pro rata share for each manufacturer;
6. by July 31, 2006, contract for a brand source sort conducted at intermediate collection points; and
7. by January 15, 2007, and each year thereafter, report to the director of the OEA on the progress of manufacturers meeting their responsibilities.

Subdivision 8. [Purchases by State Agencies] requires the Commissioner of Administration to ensure that video display devices are acquired in compliance with this section. Bid specifications must include reasonable access to records to verify compliance with this section. If a person with a state contract is found to be in violation of this section:

1. the contract must be voided;
2. the contractor is ineligible to bid on state contracts for three years; and
3. a court may order the disgorgement of unlawfully obtained money.

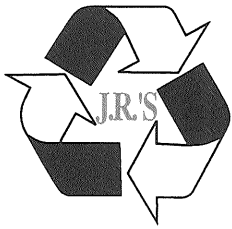
Subdivision 9. [Regulation of Video Display Devices] provides that video display devices must be reused, refurbished, and recycled in compliance with all federal, state, and local requirements, and cannot be exported for disposal in a manner that poses significant risk to public health or the environment.

Subdivision 10. [Enforcement] clarifies that this section may be enforced by the Pollution Control Agency under the PCA's general authority for administrative, civil, and criminal enforcement powers.

Subdivision 11. [Indemnification] provides that a municipality participating at an intermediate collection point or providing for the reuse or recycling of manufacturers' abandoned waste under this section is an employee of the state for the purposes of the State Tort Claims Act. The state is not obligated to defend or indemnify a municipality to the extent of the municipality's liability insurance. Persons providing services at intermediate collection points are not liable for any data remaining on a video display device.

Subdivision 12. [Termination] terminates the requirements under this section, 30 days after the director of the OEA publishes notice in the State Register that a national program exists for video display devices and is implemented throughout the state.

GK:dv



J.R.'S Appliance Disposal Inc.

10619 Courthouse Blvd., Inver Grove Heights, MN 55077
Telephone (651) 454-9215 Fax (651) 454-8345 (800) 358-6563
Website: jrsappliance.com e-mail: recycle@jrsappliance.com



March 30, 2005

TO: Members of the Minnesota Senate Environment and Natural Resources
Committee

Re: Support of SF 1298 - Waste Electronic Products Recovery and Recycling

- **JR's Appliance Disposal supports SF 1298 and the development of intermediate consolidation points for waste electronics.**
- **JR's requests you not prohibit the charging of a fee for collection of waste electronics. Companies such as JR's will continue to provide waste electronics collection service to complement the intermediate consolidation point system**

Background

JR's has collected used appliances for recycling since 1988, and **in July 2004, JR's added waste electronics to their collections due to demand from their customers.**

- These customers include homeowners, as well as private and public entities and more than 125 city/county appliance cleanup programs in Minnesota. Appliances and electronics are collected curbside from homeowners and from waste haulers, transfer stations and landfills, appliance dealers, and apartment owners/managers.
- 74% of the waste electronics collected by JR's from July through December of 2004 were computer monitors and televisions. Copiers, printers, CPUs, stereos and VCRs were also included in the collection.

JR's wants to concentrate its collection service on customers with end-of-life waste electronics who will pay to have them removed and transported to a recycling center.

We ask that you allow these customers who choose to pay for service to continue and not prohibit a charge for service.

For more information, contact Katy Boone at (612) 824-1575.



Hennepin County Department of Environmental Services

417 North Fifth Street, Suite 200
Minneapolis, Minnesota 55401-1397

612-348-3777, Phone
612-348-8532, Fax
612-348-6500, 24 hour **INFO** Line
www.hennepin.us

March 25, 2005

Senator John Marty, Chairman
Senate Environment and Natural Resources Committee
323 State Capitol
75 Rev. Dr. Martin Luther King Blvd.
St. Paul, MN 55155-1606

Dear Senator Marty:

I am writing to clarify Hennepin County's position on legislative proposals for the recycling of electronic waste. For the past twelve years, Hennepin County has implemented and funded the nation's largest public electronic waste recycling program. In 2004 the County's program collected and managed nearly 4 million pounds of electronic waste, the majority of which consisted of televisions and computers. The volume of material our program received in 2004 grew by 29 percent over the previous year and robust growth is expected to continue given price declines in the computer market and the approaching transformation of the television industry from analog to digital transmissions which will accelerate the obsolescence of many televisions.

The Hennepin County Board of Commissioners has adopted a resolution supporting and encouraging action by the Minnesota Legislature to establish a statewide e-waste recycling program. The Hennepin Board also adopted a companion resolution in conjunction with the other member counties of the Solid Waste Management Coordinating Board (SWMCB). Specifically, the Hennepin County Board has urged the legislature to act and to do so in a manner that does not establish end of life fees to consumers as the means of financing program costs. The Board has not established a preference between the two principal options for program design: manufacturer responsibility and advanced recovery fees (ARF). We're eager to share information about our program and experiences that may be helpful to legislators during their deliberations and are prepared to fully and enthusiastically work to successfully implement any e-waste legislation that is enacted.

Having clarified the Board's formal position on this issue, I would offer the following observations and suggestions for the committee's consideration based on our experience:

1. Use a broader rather than narrower definition of covered electronic products. CRT's are clearly the greatest challenge today, but they are far less prevalent among new products. Replacements, though less toxic, still will require special management. It's also been our experience that residents bring a broad range of electronic products for recycling. We've found it preferable to accept and recycle what's brought in rather than have customers leave our facilities with e-waste still in the back seat. If citizens trying to do the responsible thing with e-waste can't get help at our recycling facilities, the waste is more likely to end up in the trash or be dumped.
2. Build on existing recycling infrastructure. While not evenly available throughout the state, many private and public resources already exist. Use whatever new resources may become available as a result of legislation to grow existing capacity and provide incentives for startups in underserved areas.

3. Sorting electronic waste by brands, weighing or segregating waste and calculating "shares" of the waste stream to be recycled by individual manufacturers or others should be avoided. The e-waste we received at our facilities during the second half of 2004 included more than 1,000 brands of TV's and computers produced by hundreds of different manufacturers. Weighing waste products and attempting to determine their manufacturer will be costly, time and labor consuming and continuously subject to challenge. It's also likely to require more physical space at collection points or recycling centers than will be available.
4. Similarly, legislation requiring the sorting of electronic waste inventories into categories of current, orphan and abandoned waste will be administratively challenging and expensive given the extensive number of current and historic brands and lack of clarity regarding the responsible manufacturers for each brand.
5. Make on-going provision for recycling of all covered e-waste. If a portion of the waste stream is left unaccounted for (orphan, abandoned or other) its going to accumulate at collection points and ultimately some party will be stuck with it.
6. Keep governance structures simple and pragmatic. If a new body is established for policy direction or program oversight, create a team with the knowledge, experience and commitment to make the program work rather than a representative group of all the interests that have been locked in conflict over this issue for years. If a broad stakeholder group is necessary, it should be an advisory body.
7. Be realistic about the responsibilities and costs of managing the system that's created and ensure that funding is adequate.
8. Ensure that Minnesota's e-waste doesn't become someone else's contamination. Make provision for meeting the highest environmental standards and preclude exports without verification of destination and recycling methods.
9. The ban on CRT disposal in the waste stream will take effect in about 100 days. Select a policy that can soon be operational and clearly understood by the public.
10. Design for the environment is a critical long-term consideration that's present in several proposals. Including such a provision in legislation is a smart way to contain the problem down the road.

I hope this clarifies Hennepin's position on this important policy issue and provides some observations from our experience that will benefit the committee's deliberations. Please do not hesitate to call on me if I or members of my staff can be of further assistance.

Sincerely,



Philip C. Eckhert
Director

c: Hennepin County Commissioners
Gary Erickson, Assistant County Administrator
MaryBeth Davidson

Senators Scheid, Senjem and Hottinger introduced--

S.F. No. 1398: Referred to the Committee on Environment and Natural Resources.

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A bill for an act

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relating to environment; enacting the Minnesota
Electronics Recycling Act of 2005; authorizing
rulemaking; providing penalties; amending Minnesota
Statutes 2004, section 16C.03, by adding a
subdivision; proposing coding for new law in Minnesota
Statutes, chapter 116F.

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BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

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Section 1. Minnesota Statutes 2004, section 16C.03, is
amended by adding a subdivision to read:

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Subd. 18. [CONTRACTS WITH RETAILERS.] (a) For the purposes
of this subdivision, the definitions in section 116F.505 have
the meanings given.

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(b) A public entity, as defined in section 16B.122, may not
contract for the purchase or lease of a covered electronic
device from a retailer or manufacturer which has not registered
to collect the fee imposed under chapter 116F on its sales in
Minnesota or to a destination in Minnesota.

(c) Beginning on or after September 1, 2005, each retailer
or manufacturer that is offered a contract to sell or lease a
covered electronic device subject to a fee under chapter 116F to
a public entity must submit to the public entity certification
that the retailer or manufacturer is registered to collect fees
and acknowledging that the contract may be declared void if the
certification is false.

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[EFFECTIVE DATE.] This section is effective for all

1 contracts entered into on or after September 1, 2005.

2 Sec. 2. [116F.505] [DEFINITIONS.]

3 Subdivision 1. [SCOPE.] For the purposes of sections
4 116F.505 to 116F.595, the following terms have the meanings
5 given.

6 Subd. 2. [COMPUTER.] "Computer" means an electronic,
7 magnetic, optical, electrochemical, or other high speed data
8 processing device performing logical, arithmetic, or storage
9 functions, but does not include an automated typewriter or
10 typesetter, a portable handheld calculator or device, or other
11 similar device.

12 Subd. 3. [CONSUMER.] "Consumer" means a person who
13 purchases a covered electronic device in a transaction that is a
14 sale.

15 Subd. 4. [CORPORATION.] "Corporation" means the
16 not-for-profit organization established under section 116F.540.

17 Subd. 5. [COVERED ELECTRONIC DEVICE.] "Covered electronic
18 device" means a desktop or personal computer, computer monitor,
19 portable computer, desktop printer, television, or video display
20 device. Covered electronic device does not include those items
21 when they are:

22 (1) part of a motor vehicle, or any component part of a
23 motor vehicle assembled by or for a vehicle manufacturer or
24 franchised dealer, including replacement parts for use in a
25 motor vehicle;

26 (2) part of a piece of industrial, commercial, or medical
27 equipment, including monitoring or control equipment; or

28 (3) contained within a clothes washer, clothes dryer,
29 refrigerator, refrigerator and freezer, microwave oven,
30 conventional oven or range, dishwasher, room air conditioner,
31 dehumidifier, or air purifier.

32 Subd. 6. [MANUFACTURER.] "Manufacturer" means any person
33 that:

34 (1) manufactures a covered electronic device under its own
35 brand;

36 (2) manufactures a covered electronic device without

1 affixing a brand;

2 (3) resells a covered electronic device produced by other
3 suppliers under its own brand and label; or

4 (4) imports a covered electronic device into the United
5 States.

6 Subd. 7. [MONITOR.] "Monitor" means a separate visual
7 display component of a computer, whether sold separately or
8 together with a computer central processing unit or computer
9 box, and includes a cathode ray tube, liquid crystal display,
10 gas plasma, digital light processing, or other image projection
11 technology, greater than nine inches when measured diagonally;
12 its case; interior wires and circuitry; cable to the central
13 processing unit; and power cord.

14 Subd. 8. [OFFICE.] "Office" means the Office of
15 Environmental Assistance.

16 Subd. 9. [PORTABLE COMPUTER.] "Portable computer" means a
17 computer and video display that can be carried by an individual.

18 Subd. 10. [PURCHASE.] "Purchase" means the taking, by
19 sale, of title or of the right to use.

20 Subd. 11. [RECYCLING.] "Recycling" has the meaning given
21 in section 115A.03.

22 Subd. 12. [RETAILER.] "Retailer" means a person who owns
23 or operates a business that sells new covered electronic devices.

24 Subd. 13. [REUSE.] "Reuse" means an operation by which a
25 covered electronic device changes ownership to be used for the
26 same purpose for which it was originally put on the market
27 without additional processing or remanufacturing.

28 Subd. 14. [SELL OR SALE.] "Sell" or "sale" means any
29 transfer for consideration of title or of the right to use to a
30 consumer, by lease or sales contract, including, but not limited
31 to, transactions conducted through sales outlets, catalogs, or
32 the Internet, or any other similar electronic means, and
33 excluding wholesale transactions with distributors or dealers.

34 Subd. 15. [TELEVISION.] "Television" means a stand-alone
35 display system having a viewable area greater than nine inches
36 when measured diagonally and able to adhere to any standard

1 consumer video formats such as PAL, SECAM, NTSC, AND HDTV and
2 has the capability of selecting different broadcast channels and
3 support sound capability.

4 Subd. 16. [VIDEO DISPLAY DEVICE.] "Video display device"
5 means a device with an output surface having a viewable area
6 greater than nine inches when measured diagonally that displays
7 moving graphical images or a visual representation of image
8 sequences or pictures, showing a number of quickly changing
9 images on a screen in fast succession to create the illusion of
10 motion, including, if applicable, a device that is an integral
11 part of the display, and cannot be easily removed from the
12 display by the consumer, that produces the moving image on the
13 screen. Displays typically use a cathode ray tube, liquid
14 crystal display, gas plasma, digital light processing, or other
15 image projection technology.

16 Sec. 3. [116F.515] [FEE; EXPENDITURE OF PROCEEDS.]

17 (a) Beginning on September 1, 2005, a fee of \$10 is imposed
18 upon every sale to a consumer in Minnesota of a new covered
19 electronic device as required by section 116F.530.

20 (b) A retailer that sells a new covered electronic device
21 must collect at the time of sale the fee imposed under paragraph
22 (a) for each new covered electronic device sold to a consumer in
23 the state.

24 (c) A retailer shall transmit all fees collected under this
25 section, minus three percent of total fee revenues which may be
26 retained by the retailer for administrative costs associated
27 with collecting the fee, to the corporation on or before the
28 last day of the month following each quarter, accompanied by any
29 forms prescribed by the corporation. If a covered electronic
30 device for which the fee has been paid is returned to a retailer
31 under warranty, the fee may be refunded, and the retailer may
32 deduct the amount of the returned fee from the remittance to the
33 corporation.

34 (d) Fees collected by the corporation must be used only for
35 the administrative cost of the corporation to perform its
36 responsibilities under section 116F.540; to fund collection,

1 transportation, and recycling of covered electronic devices; and
2 to promote the collection and recycling of covered electronic
3 devices and market development. Fees may not be used to pay for
4 activities associated with refurbishment and reuse of covered
5 electronic devices, or for the collection, transportation, or
6 recycling of covered electronic devices that are refurbished and
7 reused.

8 (e) The fee imposed under this section must be clearly
9 identified separately on sales documents from the product price
10 and is not included in the price for purposes of sales taxes.

11 Sec. 4. [116F.520] [OFFICE RESPONSIBILITIES.]

12 (a) Beginning on July 1, 2007, the office shall report to
13 the legislature on a biennial basis regarding the progress on
14 the implementation of sections 116F.505 to 116F.595, including
15 recommendations for changes to sections 116F.505 to 116F.595
16 that will ensure the most effective collection of electronic
17 product recycling fees and whether the cap on the fee imposed
18 under section 116F.515 should be adjusted.

19 (b) The report must include the following:

20 (1) a list of all parties participating in the system;

21 (2) current collection, transportation, and recycling costs
22 of covered electronic devices;

23 (3) projected sales of covered electronic devices;

24 (4) projected volume of returns of covered electronic
25 devices;

26 (5) actual collection rates during the previous 12-month
27 period plus a yearly growth projection;

28 (6) the total weight of covered electronic devices received
29 during the preceding year by product category, together with the
30 total weight of the products recycled in each product category;
31 and

32 (7) any surplus funds carried forward.

33 Sec. 5. [116F.525] [PROHIBITIONS.]

34 (a) A person who is receiving reimbursement from the
35 corporation under sections 116F.505 to 116F.595 must not impose
36 a drop-off or other fee for the collection, transportation, and

1 recycling of covered electronic devices. Sections 116F.505 to
2 116F.595 do not apply to end-of-life fees in effect for products
3 not covered by those sections.

4 (b) Retailers and manufacturers of covered electronic
5 devices are prohibited from selling covered electronic devices
6 in Minnesota unless they have registered with the corporation
7 and they collect and remit the fees for covered electronic
8 devices required by section 116F.515.

9 Sec. 6. [116F.530] [NOT-FOR-PROFIT CORPORATION.]

10 A corporation must be established by the office as a
11 nonprofit corporation organized under chapter 317A that
12 qualifies for tax exempt status under United States Code, title
13 26, section 501(c)(3), to administer collected fee proceeds from
14 the retail sale of covered electronic devices. Retailers of
15 covered electronic devices to consumers in Minnesota are
16 considered to have consented to be members of the not-for-profit
17 corporation. The corporation shall submit a budget annually to
18 the office and spend no more than five percent of the total fees
19 collected under section 116F.515 for administrative expenses.

20 Sec. 7. [116F.540] [CORPORATION RESPONSIBILITIES AND
21 STRUCTURE.]

22 Subdivision 1. [RESPONSIBILITIES.] (a) The corporation
23 must be governed and operated by a multistakeholder board for
24 fulfilling the responsibility for management of a collection,
25 transportation, and recycling system for covered electronic
26 devices.

27 (b) The corporation must serve, to the extent feasible, all
28 consumers in the state. The corporation must also rely
29 primarily on existing collection and consolidation
30 infrastructure for handling covered electronic devices to the
31 extent this infrastructure is cost effective and meets the
32 environmentally sound management requirements of section
33 116F.545.

34 (c) The corporation must receive funds collected by the
35 retailers and administer the system for reimbursement of
36 collectors and recyclers.

1 (d) The corporation shall organize and coordinate public
2 outreach. The corporation shall utilize local and regional
3 authorities to reach local residents and determine appropriate
4 methods for education.

5 Subd. 2. [STRUCTURE.] (a) The corporation shall use the
6 funding for the sole purpose of carrying out the duties of
7 sections 116F.505 to 116F.595. In the event that expenses from
8 collection, transportation, and recycling activities exceed
9 revenues, the corporation may borrow up to ten percent of the
10 projected annual net fee funds from outside sources. Borrowed
11 funds must be repaid within two years.

12 (b) On April 1 of each year, the office shall report to the
13 legislature on the implementation of the system during the
14 previous year. The report must identify the total weight of
15 covered electronic devices received during the preceding year by
16 product category, together with the total weight of products
17 recycled in each product category. The report must also include
18 a list of all parties participating in the system.

19 (c) The corporation must have a board of directors
20 consisting of 11 members appointed by the director. The board
21 members shall be appointed for two-year terms, except that for
22 the initial term, three members shall be appointed to one-year
23 terms and four members shall be appointed to two-year terms.
24 The director shall appoint a replacement if any vacancy occurs.
25 The board shall consist of representatives from:

26 (1) five manufacturers of covered electronic devices;

27 (2) two retailers of covered electronic devices;

28 (3) one environmental not-for-profit organization with
29 experience in the recycling of covered electronic devices;

30 (4) one for-profit organization with experience in the
31 recycling of covered electronic devices; and

32 (5) two government representatives, including one from
33 local government who shall be compensated pursuant to section
34 15.059, subdivision 3.

35 (d) The board shall hire a director who shall run the
36 day-to-day operations of the corporation and report to the board

1 at least once a year.

2 Subd. 3. [COORDINATING CONTRACTS.] The corporation shall
3 encourage collectors, transporters, and recyclers of covered
4 electronic devices to coordinate their efforts in order to
5 minimize costs. All contracts issued by the corporation for
6 recyclers must be competitively bid under a process created by
7 the corporation and may not prohibit or affect any contract,
8 franchise, permit, or other arrangement regarding the collection
9 or recycling of other solid or household hazardous waste.

10 Sec. 8. [116F.545] [ENVIRONMENTALLY SOUND MANAGEMENT
11 REQUIREMENTS.]

12 (a) Covered electronic devices collected must be recycled
13 or disposed of in a manner that is in compliance with all
14 applicable federal, state, and local laws, regulations, and
15 ordinances, and must not be exported for disposal in a manner
16 that poses a significant risk to the public health or the
17 environment.

18 (b) The corporation shall establish performance
19 requirements for recyclers eligible to receive funds from the
20 corporation. Recyclers shall, at a minimum, demonstrate
21 compliance with the United States Environmental Protection
22 Agency's Guidance on Environmentally Sound Management of
23 Electronic Products as issued and available on the office's Web
24 site in addition to any other requirements mandated by state law.

25 (c) The office shall keep on file and update a list of
26 recyclers approved to recycle covered electronic devices. A
27 copy of the list, including all changes to the list since the
28 previous year, must be sent to the corporation annually for use
29 in fulfilling its requirements under section 116F.540.

30 (d) The office is authorized to remove from the list any
31 recycler, who, as the result of an audit by the corporation or
32 the office, has failed to meet the criteria established under
33 paragraph (a) or who has been convicted of violating any
34 federal, state, or local law related to the collection,
35 transport, or processing of covered electronic products.

36 (e) The corporation and its board may not be held

1 financially liable for any violation of a federal, state, or
2 local law by a recycler appearing on the list created and
3 updated by the office.

4 Sec. 9. [116F.550] [LEVEL PLAYING FIELD PENALTIES.]

5 (a) Beginning September 1, 2005, a manufacturer may not
6 offer for sale in Minnesota a covered electronic device unless a
7 visible, permanent label clearly identifying the brand or
8 manufacturer of that device is affixed to it and, if the
9 manufacturer is also a retailer, the fee under section 116F.515
10 is collected.

11 (b) By July 15, 2005, manufacturers of covered electronic
12 devices must notify retailers that the covered electronics
13 device is subject to the fee in section 116F.515.

14 (c) A violation of this section is subject to a civil
15 penalty in the amount of \$1,000 per violation.

16 (d) The money collected and distributed shall be used to
17 offset enforcement expenses.

18 (e) Manufacturers and retailers, upon providing 60-day
19 notice to the attorney general and to a retailer who is not
20 collecting and remitting the fee in section 116F.515, or a
21 manufacturer who is not complying with this section, have the
22 right to sue that manufacturer or retailer for failure to
23 collect or remit the fee to the corporation. During the 60-day
24 notice period, if the attorney general initiates action against
25 the manufacturer or retailer, then the ability of the
26 manufacturer to sue is extinguished. The money collected by the
27 attorney general must be used to offset enforcement expenses.
28 Money in excess of the enforcement expenses shall be deposited
29 with the corporation. Manufacturers and retailers that
30 successfully challenge a noncompliant manufacturer or retailer
31 are entitled to receive their litigation costs as well as double
32 the penalties assessed under paragraph (c).

33 Sec. 10. [116F.560] [MARKET DEVELOPMENT.]

34 The corporation shall establish a market development
35 program to enhance existing and develop new end markets for
36 remanufactured products and recycled materials. No more than

1 one percent of corporation funds may be spent on this program.

2 Sec. 11. [116F.575] [MANUFACTURERS.]

3 (a) Beginning September 1, 2005, a manufacturer must:

4 (1) collect and remit the fee in section 116F.515 on all
5 sales in which the manufacturer acts as a retailer;

6 (2) make information available to consumers describing
7 where and how to return, recycle, and dispose of covered
8 electronic devices through the use of product operation manuals,
9 industry or manufacturer Web sites, product labels, packaging
10 inserts, or toll-free telephone numbers; and

11 (3) provide recyclers with information on the type and
12 location of hazardous substances in the covered products.

13 (b) Beginning January 1, 2007, a manufacturer must not
14 offer for sale in the state any product or electronic device
15 that is prohibited from being sold or offered for sale in the
16 European Union on or after its date of manufacture, to the
17 extent that Directive 2002/95/EC adopted by the European
18 Parliament on January 27, 2003, and as amended thereafter by the
19 Commission of European Communities, prohibits the sale due to
20 the presence of heavy metals. This prohibition does not include
21 any product that contains a substance that is used to comply
22 with consumer health or safety requirements that are required by
23 Underwriters Laboratories, the federal government, or the state.

24 (c) Beginning July 1, 2008, and annually thereafter,
25 manufacturers shall make available to the public upon request a
26 report that contains:

27 (1) the total estimated amounts of lead, mercury,
28 hexavalent chromium, cadmium, and polybrominated biphenyls
29 (PBBs) contained in products sold within the state in the
30 previous year;

31 (2) the total estimated amounts of recyclable materials
32 contained in covered electronic devices sold within the state in
33 the previous year, and increases the use of those materials over
34 previous years; and

35 (3) any efforts to design covered electronic devices for
36 recycling and goals or plans for further increasing design for

1 recycling.

2 (d) In lieu of an individual report, manufacturers may
3 submit the information in a collated report submitted via a
4 trade association provided that information about an individual
5 company can be made available to the office upon written request
6 by the office. The office may only make such a request for
7 auditing purposes and not more than once during a five-year
8 period. The office may not make public any confidential
9 business information claimed by the manufacturer in the report.

10 (e) A report submitted to another state or to the federal
11 government that contains the same information as required in
12 this section must be accepted by the office in lieu of a
13 separate report for the state.

14 Sec. 12. [116F.580] [REGULATORY AUTHORITY.]

15 The office may adopt rules for the purpose of administering
16 sections 116F.505 to 116F.595.

17 Sec. 13. [116F.590] [PROGRAM REVIEW.]

18 On or after January 1, 2014, the office shall convene a
19 stakeholder group to evaluate the program and make
20 recommendations to the legislature by January 1, 2015, as to
21 whether to:

22 (1) continue or modify the fee under section 116F.515;

23 (2) implement another financing alternative; or

24 (3) determine that no outside financing mechanism is
25 required to ensure that the system is financially solvent.

26 Sec. 14. [116F.595] [FEDERAL PREEMPTION.]

27 Upon notification by the office that a national program to
28 collect and recycle covered electronic devices is implemented,
29 sections 116F.505 to 116F.595, to the extent that they are
30 inconsistent with the national program, become inoperative.

31 Sec. 15. [EFFECTIVE DATE.]

32 Except as otherwise specified, sections 1 to 15 are
33 effective July 1, 2005.

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MHTA

MINNESOTA HIGH TECH ASSOCIATION

March 18, 2005

Senator John Marty
 Chair, Senate Environment and Natural Resources Committee
 75 Rev. Dr. Martin Luther King Jr. Blvd., Room 323
 St. Paul, MN 55155-1606

Subject: Support for SF 1398 - Minnesota Electronic Waste Recycling

The Minnesota High Tech Association has been a strong advocate for recycling and reuse of personal computers. Minnesota Computers for Schools, formerly a program of the Minnesota High Technology Foundation, has extended the life of more than 40,000 computers in over 500 educational institutions since 1997. Several of our members donate used computers or conduct voluntary recycling programs.

MHTA recognizes that after a useful life, these products must be properly recycled. MHTA has long advocated for a national solution to this problem. Under SF 1398, proposed by Senator Scheid, we believe Minnesota is in a position to implement a comprehensive and fully funded solution that can serve as a national role model because:

- *MHTA supports a financial e-waste recycling system that is fair and sustainable.* SF 1398 provides funding through collection of an Advanced Recycling Fee (ARF) at point-of-sale when new computers and TVs are purchased. The fee is to be managed by a non-profit organization to ensure the monies collected will be dedicated to cover the full cost of recycling, including collection and orphaned or abandoned products. Retailers, manufacturers, recyclers, local governments and others who conduct recycling efforts would be reimbursed based on their performance.
- *MHTA supports its members recycling efforts, but it recognizes that voluntary and episodic recycling programs will not provide comprehensive coverage for the entire state and its residents.* Minnesota has a strong waste management infrastructure and a commitment to recycling. By leveraging our public investments through proper funding, Minnesota can develop a cost-effective system for e-waste recycling.
- *MHTA believes that any comprehensive program must spread the responsibility for product stewardship among those who produce, sell and use electronic products.* The ARF approach achieves this objective. Most importantly, it doesn't require an end-of-life fee for disposal of an obsolete piece of equipment. MHTA believes the ARF proposal will ensure the maximum amount of product will be recycled through this financing system.
- *MHTA recognizes that the real costs of product take-back occur from curb through collection, where nearly 80% of the costs occur; 30% of obsolete product is orphaned or abandoned and the costs of recycling this equipment must also be covered.* Without an ARF, the expense will fall to local government or consumers.
- *MHTA encourages sound environmental practice and policy.* Minnesota can be a national leader by implementing a successful program that will become a model for our nation. SF 1398 provides for pre-emption when a national program, presumably modeled after Minnesota, would be implemented.

MHTA urges your support for SF 1398. To endorse anything less than this comprehensive program that will ensure the maximum product be recycled will result in consumer frustrations, local government costs that cannot be recovered, and product that escapes proper disposal.

Sincerely,



David Minkkinen, BearingPoint
 Chair, MHTA Government Affairs Committee

Kate Rubin
 MHTA President

Senators Higgins, Marty, Sams, Pariseau and Frederickson introduced--
S.F. No. 1298: Referred to the Committee on Environment and Natural Resources.

1 A bill for an act
2 relating to environment; providing for the recovery
3 and recycling of waste electronic products; proposing
4 coding for new law in Minnesota Statutes, chapter 115A.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

6 Section 1. [115A.9566] [RECOVERY AND RECYCLING OF WASTE
7 ELECTRONIC PRODUCTS.]

8 Subdivision 1. [DEFINITIONS.] (a) For the purposes of this
9 section, the definitions in this subdivision apply.

10 (b) "Cathode-ray tube" means a vacuum tube or picture tube
11 used to convert an electronic signal into a visual image.

12 (c) "Full truckload" means a quantity of video display
13 devices weighing 25,000 pounds or more.

14 (d) "Household" means a single detached dwelling unit or a
15 single unit of a multiple dwelling unit and appurtenant
16 structures.

17 (e) "Intermediate consolidation point" means a facility or
18 location in the state where persons can deliver for
19 consolidation video display devices generated by households and
20 destined for reuse or recycling. The facility or location may
21 be operated by a private entity or a local unit of government,
22 and must be capable of consolidating a full truckload of video
23 display devices in accordance with all applicable federal,
24 state, and local laws, regulations, and ordinances.

25 (f) "Manufacturer" means a person who manufactures a video

1 display device that is sold in this state or a person who sells
2 a video display device in this state under its own brand label.

3 (g) "Market share" means each manufacturer's total sales of
4 video display devices in Minnesota, divided into the two general
5 categories of computers and televisions, as compared to the
6 total sales of all video display devices sold that year in
7 Minnesota divided into the same categories. Each manufacturer's
8 national percentage of sales for 2004 for all types of video
9 display devices sold by the manufacturer in Minnesota must be
10 used to determine that manufacturer's market share for 2005.

11 (h) "Pro rata share" means a manufacturer's market share of
12 video display devices sold in Minnesota during the immediately
13 preceding calendar year multiplied by that year's performance
14 standard as set forth in subdivision 5. For video display
15 devices generally categorized by market share as televisions,
16 this pro rata share calculation must be further multiplied by
17 two.

18 (i) "Type of device" means either a television or similar
19 device or a computer monitor or similar device.

20 (j) "Video display device" means an electronic product
21 containing: (1) a cathode-ray tube; or (2) a flat panel
22 display; or (3) any other similar video display device with a
23 screen size that is greater than eight inches in size when
24 measured diagonally, but does not include those in an automobile
25 or other vehicle.

26 Subd. 2. [MANUFACTURER RESPONSIBILITY.] (a) Effective July
27 1, 2005, all manufacturers of video display devices sold in
28 Minnesota, including video display devices sold by means of
29 distance communication, shall:

30 (1) collect all video display devices from intermediate
31 consolidation points within three working days of being notified
32 by an intermediate consolidation point approved by the director
33 that at least a full truckload of video display devices from
34 households has been consolidated at that point;

35 (2) ensure that collection of video display devices from
36 intermediate consolidation points is without charge;

1 (3) ensure that video display devices collected from
2 intermediate consolidation points are reused or recycled; and
3 (4) clearly inform each purchaser of a video display device
4 of opportunities for reuse or recycling of end-of-life video
5 display devices.

6 (b) The requirements of paragraph (a), clauses (1) to (3),
7 must be fulfilled each year by a manufacturer after the
8 manufacturer has collected and reused or recycled its pro rata
9 share of video display devices.

10 (c) A manufacturer may fulfill its responsibilities under
11 this subdivision through a representative organization of
12 manufacturers.

13 (d) In 2005, a manufacturer is considered to have fulfilled
14 its responsibility under this subdivision upon collection and
15 recycling or reuse of 50 percent of its pro rata share of video
16 display devices.

17 Subd. 3. [MANUFACTURER REGISTRATION AND CERTIFICATION.] (a)
18 On and after July 1, 2005, it is unlawful to sell a video
19 display device in this state unless the manufacturer of the
20 video display device has (1) registered with the agency, (2)
21 certified that the manufacturer is in compliance with
22 subdivision 2, and (3) if Minnesota sales data on each type of
23 video display device is not available, certified to the number
24 of each type of video display device it has sold in Minnesota in
25 the immediate preceding year. A retailer is not responsible for
26 an unlawful sale under this subdivision if the certification
27 relied upon by the retailer in making the unlawful sale was
28 incorrect, or if the registration expired or was revoked and the
29 retailer took possession of the video display device prior to
30 the expiration or revocation of the registration and the
31 unlawful sale occurred within six months after the expiration or
32 revocation.

33 (b) By July 1, 2005, by January 31, 2006, and by January 31
34 of each year thereafter, each manufacturer of a video display
35 device sold in Minnesota must submit a registration and
36 certification to the commissioner. Registration includes but is

1 not limited to a list of all brand labels owned by the
2 manufacturer, its subsidiaries, or any companies acquired by the
3 manufacturer. The registration must also specify the entity
4 that will be responsible for implementing the manufacturer's
5 requirements as specified in subdivision 2, and the entity's
6 contact information.

7 (c) By December 31, 2005, and each year thereafter, each
8 manufacturer of a video display device sold in Minnesota shall
9 submit a written certification, signed by an official of the
10 manufacturer, that the manufacturer is in compliance with the
11 requirements of subdivision 2. The commissioner shall accept
12 the certification as prima facie evidence that the manufacturer
13 is in compliance with subdivision 2.

14 (d) The commissioner may, at any time, revoke a
15 registration upon being presented with evidence that the
16 manufacturer is not in compliance with the requirements of this
17 section.

18 (e) The commissioner may charge a registration fee to cover
19 the agency's costs of administering the requirements under this
20 section.

21 (f) By August 1, 2005, and each January 31 of each year
22 thereafter, the commissioner shall publish on the agency's Web
23 site a list of video display device manufacturers and all brand
24 labels for which the commissioner has received registrations,
25 certifications, and contact information for each entity
26 responsible for implementing the requirements of subdivision 2.

27 Subd. 4. [MANUFACTURER REPORTING.] By October 1, 2006, and
28 each year thereafter, a manufacturer of video display devices or
29 a representative organization of manufacturers shall provide
30 information to the office that specifies the following
31 information regarding video display devices from Minnesota
32 households: (1) the total number and pounds of video display
33 devices collected during the preceding year, together with the
34 total number and pounds of video display devices reused or
35 refurbished for reuse, and the total number and pounds of video
36 display devices recycled or resold; and (2) a general

1 description of the processes and methods used to recycle,
2 refurbish, or reuse the video display devices and any
3 disassembly, physical recovery operation, or other operation
4 that was used; the location where these activities occurred; and
5 whether these activities were conducted in accordance with
6 applicable rules, standards, and requirements adopted by the
7 Organization for Economic Cooperation and Development for the
8 environmentally sound management of electronic waste. If a
9 manufacturer fulfills its responsibilities under subdivision 2
10 through a representative organization of manufacturers, the
11 reporting requirements in this subdivision may be satisfied by
12 the representative organization.

13 Subd. 5. [PERFORMANCE STANDARDS.] It is the goal of the
14 state to ensure that all video display devices discarded by
15 households are collected and reused or recycled. In order to
16 meet this goal, the following minimum annual performance
17 standards for responsibilities are established:

18 (1) by July 1, 2006, the total amount of video display
19 devices collected from households for reuse or recycling must
20 equal 0.050 video display devices per resident of the state;

21 (2) by July 1, 2007, the total amount of video display
22 devices collected from households for reuse or recycling must
23 equal 0.055 video display devices per resident of the state; and

24 (3) by July 1, 2008, the total amount of video display
25 devices collected from households for reuse or recycling must
26 equal 0.060 video display devices per resident of the state.

27 Subd. 6. [OFFICE OF ENVIRONMENTAL ASSISTANCE DUTIES.] (a)
28 The director shall, by July 1, 2005, seek applications for the
29 establishment of intermediate consolidation points from persons
30 eligible to operate the points. The director shall seek to
31 receive at least 15 applications with at least ten of the
32 applications from outside the metropolitan area. By November 1,
33 2005, the director shall establish a list of approved
34 intermediate consolidation points and shall make a list
35 available to manufacturers, any representative organization of
36 manufacturers, local government, solid waste haulers, and the

1 general public. The director shall thereafter maintain and
2 update the list by approving new applications qualified to be
3 intermediate consolidation points, and deleting the points no
4 longer eligible for placement on the list.

5 (b) By December 1, 2006, and each year thereafter, the
6 director shall assess progress with manufacturers meeting their
7 responsibilities under subdivision 2. By December 1, 2007, and
8 every two years thereafter, the director shall submit a report
9 as part of the report required in section 115A.411 to the
10 legislature evaluating the programs established under this
11 section. If the director determines that manufacturers have not
12 met their responsibilities, the director shall recommend
13 alternative methods for ensuring that all discarded video
14 display devices are collected and recycled or reused. The
15 report due on December 1, 2007, must include an assessment of
16 the ratio of discarded cathode-ray tubes to other discarded
17 video display devices. The office shall also publish its
18 assessment and evaluation of video display device collection,
19 transportation, and reuse or recycling programs in the state on
20 the office's Web site and through any of its other usual methods
21 of providing public information.

22 (c) In addition to the report described in this section,
23 the director shall evaluate in each odd-numbered year beginning
24 in 2007, the amount and composition of other household
25 electronic wastes such as computer central processing units, and
26 shall recommend the addition or deletion of products to be
27 covered under this section.

28 Subd. 7. [CREATION OF THE ELECTRONICS RECYCLING MANAGEMENT
29 ASSOCIATION.] (a) An association is created as a nonprofit
30 organization charged with facilitating compliance with this
31 section. The association must be governed by a board of
32 directors consisting of manufacturers of video display devices
33 and local government representatives.

34 (b) Association responsibilities at a minimum include:

35 (1) determining and allocating responsibility for
36 manufacturers based on market share calculation;

1 (2) facilitating transportation and recycling of video
2 display devices from the point of consolidation according to
3 environmentally sound management standards;

4 (3) working in conjunction with the agency to ensure that a
5 sufficient number of consolidation points exist and are
6 distributed across the state;

7 (4) providing technical assistance to collection agents and
8 consolidation points on proper handling and operational
9 procedures;

10 (5) conducting public education and outreach on the
11 collection and recycling of video display devices; and

12 (6) reporting to the agency on progress towards meeting the
13 goals.

14 (c) The association may choose to extend its
15 responsibilities to provide any or all manufacturer's
16 responsibilities in subdivision 2.

17 Subd. 8. [ENFORCEMENT.] This provision may be enforced
18 under sections 115.071 and 116.072.

19 Subd. 9. [REPEALER.] This section is repealed 30 days
20 after the director publishes a notice in the State Register that
21 a national program for effectively collecting, transporting, and
22 reusing or recycling waste video display devices is established
23 and implemented throughout the state.

1 Senator moves to amend the delete-everything
2 amendment (SCS1298A-1) to S.F. No. 1298 as follows:

3 Page 4, after line 2, insert:

4 "Subd. 2a. [HEALTH AND SAFETY PROTECTIONS.] All persons
5 collecting, recovering, and recycling electronic waste as part
6 of a manufacturer's program in subdivision 2 must protect the
7 health and safety of their workers and contractors by:

8 (1) providing clear evidence of compliance with all state
9 and federal occupational safety and health laws and regulations;

10 (2) performing routine industrial hygiene monitoring and
11 quarterly reporting for all facilities for all hazardous
12 materials of concern, including, but not limited to, monitoring
13 for airborne lead and bromine, chlorine, and mercury compounds;
14 and

15 (3) performing routine human health monitoring and
16 quarterly reporting, in accordance with all applicable privacy
17 protections, for all workers and contractors, including, but not
18 limited to, blood testing for exposure to lead and bromine,
19 chlorine, and mercury compounds.

20 The recycling plan must also certify that no prison labor
21 is used unless those involved are provided compensation
22 equivalent to market rate wages for the work performed and are
23 afforded the protections of state occupational safety and health
24 laws and regulations, as well as those protections required by
25 this chapter."

1 Senator moves to amend the delete-everything
2 amendment (SCS1298A-1) to S.F. No. 1298 as follows:

3 Page 1, after line 11, insert:

4 "(c) "Electronic product" includes, but is not limited to,
5 computer equipment such as cathode-ray tubes, display monitors,
6 central processing units, keyboards, printers, and peripherals;
7 and televisions, computer monitors, liquid crystal displays or
8 other flat panel television, or similar video display products.

9 (d) "Electronic waste" means an electronic product that has
10 been discarded, become obsolete, ceased to function, is no
11 longer wanted by its owner, or for any other reason enters the
12 collection, recovery, treatment, processing, or recycling
13 system."

14 Page 1, line 12, delete "(c)" and insert "(e)"

15 Page 1, line 14, delete "(d)" and insert "(f)"

16 Page 1, line 16, delete "(e)" and insert "(g)"

17 Page 1, line 20, delete "(f)" and insert "(h)"

18 Page 1, line 30, delete "(g)" and insert "(i)"

19 Page 1, line 35, delete "(h)" and insert "(j)"

20 Page 2, line 5, delete "(i)" and insert "(k)"

21 Page 2, line 10, delete "(j)" and insert "(l)"

22 Page 2, line 14, delete "(k)" and insert "(m)"

23 Page 2, line 26, delete "(l)" and insert "(n)"

24 Page 2, line 35, delete "(m)" and insert "(o)"

Summary of Waste Electronics Consultation Process

Conducted by the Minnesota Office of Environmental Assistance
2004

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Summary of Waste Electronics Consultation Process

Conducted by the Minnesota Office of Environmental Assistance

Introduction

Following the conclusion of the 2004 legislative session and consideration of House File 882 and Senate File 838, OEA was charged by the Governor's Office and legislative committees to convene a consultation process to inform policymaking on waste electronics during the 2005 legislative session.

The OEA held four meetings with manufacturers and retailers from July through October 2004. In addition, the OEA sponsored two public forums for interested parties such as representatives from local government, waste haulers, environmental advocacy organizations, trade associations, and others.

The meetings and forums were designed to solicit input on a variety of topics related to the management of electronic waste, including financing mechanisms, collection strategies, environmentally sound management standards, and the role of various parties in the collection and recycling infrastructure. Products within the scope of the discussions included televisions, computer monitors, computer processing units (CPUs), laptops, small computer peripherals (keyboards, mice, etc.), and printers as agreed to in the National Electronic Product Stewardship Initiative (NEPSI), a multi-stakeholder dialogue convened from 2001 to 2005 to develop a national approach to managing waste electronics.

Given the lack of agreement among the manufacturers of electronic products on the most efficient and equitable funding mechanism, the majority of the consultation process was devoted to an analysis and discussion of potential financing options to support the collection and recycling of old electronic products.

Description of Policy Options

Three policy options for financing a statewide waste electronics recycling program received significant attention during the meetings.

Option 1: Advance Recycling Fee

Financing: An advance recycling fee (ARF) option requires consumers and business to pay a fee at point of sale on televisions, computer monitors, and laptops. The fee applies to both household and business sales. The accumulated fees will cover all the costs necessary to support the collection and recycling of discarded electronic products.

Manufacturers are responsible for informing retailers which products carry the fee. Retailers will receive five percent of the fee to cover their administrative costs.

Orphaned/abandoned waste: The ARF funds the collection and recycling of the following discarded products: computer monitors, televisions, laptops, CPUs, small peripherals (e.g. keyboards, mice), and printers, regardless of when the product was manufactured or if the manufacturer is still in business.

Program management: The ARF will be transferred to the Electronics Stewardship Association (ESA), a non-profit organization that will be responsible for implementing the program.

The ESA, modeled on the Insurance Guaranty Association (Minn. Stat. § 60C), is to be governed by a board of directors composed of representatives from electronic product manufacturers, local government, retailers and non-governmental organizations. The responsibilities of the ESA will include management of the

collection and recycling program, setting the ARF on an annual basis to ensure that sufficient funds are available to operate the program, and conducting public information and outreach on collection opportunities for Minnesota residents.

Collection: The ESA will reimburse entities such as local government, haulers, retailers, and others engaged in the collection of discarded products. The ESA will offer competitive contracting opportunities for recyclers to process material collected in Minnesota.

Environmentally sound management: The contracts will stipulate environmentally sound management standards to ensure that collected products are handled safely.

State fiscal impact: The advance recycling fee will generate an estimated \$15 million per year.

Example: The Electronic Waste Recycling Act enacted in California in 2003.

Option 2: Individual Responsibility

Financing: In contrast to the advance recycling fee funding mechanism, the cost-internalization financing model does not require a visible fee applied to products at point of sale. To compel participation in the program, individual manufacturers have the responsibility to register with the state in order to sell products in Minnesota.

Program management: The individual responsibility mechanism does not create an implementation organization although the manufacturers may choose to do so voluntarily. To fulfill their obligations, individual manufacturers would have the responsibility to transport and recycle material collected at consolidation facilities located across the state. Manufacturers could fulfill this responsibility on an individual basis or by working collectively and contracting for services.

Orphaned/abandoned waste: The amount of product that each company would be responsible for would be determined annually and based upon the percentage of a company's product in the total amount collected for recycling. This same percentage would then also be applied to the collected products of manufacturers that are not fulfilling their responsibility, are no longer in business, or whose manufacturer cannot be identified.

Collection: The individual responsibility approach would not specify responsibility for collection but it is expected that local governments, retailers, haulers, and others will voluntarily provide collection services and ensure that material is transported to consolidation facilities. The consolidation facilities would be designated by the OEA through an RFP process to ensure geographic diversity and performance capability. It is expected that a variety of entities including local government, haulers, recyclers and others would apply to serve as consolidation facilities.

The collection agents may charge a fee to cover collection costs but would deliver the collected material to the point of consolidation for no charge.

State government has responsibility to ensure participation and compliance with this system and would report to the Legislature on progress toward meeting program objectives.

State fiscal impact: No fees are enacted or appropriations required. OEA and PCA estimated that 0.5 full-time equivalent (FTE) staff person would be necessary to accomplish the responsibilities included in language considered by the 2004 Legislature.

Examples: Electronics Recycling program adopted in Maine in 2004; HF 882/SF 838 considered during the 2004 Legislature.

Option 3: Hybrid Financing Model

Financing: The hybrid financing model combines the advance recycling fee (ARF) financing approach for televisions with the individual responsibility model for information technology (IT) equipment. The recycling of computer equipment would be addressed through individual manufacturer responsibility with no fee at point of sale as described above.

Orphaned/abandoned waste: Orphaned/abandoned products would be handled by each product sector and the respective financing method.

Program management: An ARF would be placed on televisions at point of sale and remitted by the retailer to a third-party organization created to manage the program. The third-party organization would have the responsibility for ensuring the transportation and recycling of collected product from consolidation centers.

Manufacturers of IT products would fulfill the program requirements either individually or by participating in the third-party organization established to manage discarded televisions. The IT manufacturers would take back collected products from the consolidation points themselves or contract for recycling services.

State fiscal impact: The OEA has not prepared a fiscal note regarding FTE necessary to carry out the responsibilities for the state.

Example: No hybrid financing mechanisms have been adopted.

Evaluation of Policy Options and Desired Attributes

The OEA identified six attributes necessary for an effective recycling program for Minnesota residents. The OEA analyzed the various financing models against their ability to fulfill the following attributes:

- **Convenient**

Advance Recycling Fee: Due to the availability of a reimbursement payment for collection services, the advance recycling fee provides an incentive for multiple entities to offer collection services.

Individual Responsibility: The individual responsibility approach does not assign specific collection responsibilities or provide a defined source of funding for collection, factors that may have an impact on the number of available collection opportunities. Collection agents will be permitted to charge a small end of life fee to cover the costs of collection and transportation to consolidation facilities.

Hybrid System: As indicated above, the hybrid system would place an ARF on televisions and require individual manufacturer responsibility for IT equipment. However, in order to prevent the cross-subsidization of product categories, the ARF funds would be used for the recycling of products from the point of consolidation only. Due to the presence of an ARF on televisions at point of sale, this may restrict the viability on the use of end of life fees for collection services thus impacting convenience.

- **Accountability**

Advance Recycling Fee: The advance recycling fee model offers several elements to ensure participation in the program and result in accountability. The advance recycling fee at point of sale ensures that manufacturers that sell products through retailers located in Minnesota will carry the fee. Retailers and manufacturers who sell directly to consumers will be required to notify the Electronic Stewardship Association of their intent to sell products in Minnesota. Ensuring the remittance of the ARF from online sellers remains a concern, particularly for IT equipment, but the OEA is closely monitoring the implementation and compliance of the retail fee in California to accurately assess what enforcement tools will be necessary to ensure adequate program funding.

Individual Responsibility: To ensure participation in the program, the individual responsibility model requires manufacturers to register with the state in order to sell products in Minnesota. Individual manufacturers must report annually regarding the amount of waste electronics they managed for recycling. Compelling registration by manufacturers, particularly by those located overseas, may be a challenge but given the individual responsibility program in place in Maine, a precedent has been established.

Hybrid System: The hybrid institutes the accountability mechanisms inherent in the ARF and individual responsibility options for their respective product categories.

- **Environmentally sound management (ESM)**

Advance Recycling Fee: This policy option will promote environmentally sound management of collected waste electronics and ensure that such waste is handled safely and not exported to countries with inadequate environmental standards. This will be executed through contractual obligations between the third-party organization and its vendors.

Individual Responsibility: Ensuring environmentally sound management of products in the cost internalization financing approach would require specific language in statute and some degree of oversight by the MPCA.

Hybrid System: ESM is to be accomplished through contracting requirements for the third-party organization designated for the management of waste televisions. For those IT manufacturers who are not participating in the third-party organization, specific management requirements will be required in statute.

- **Supports existing infrastructure**

Advance Recycling Fee: Due to the availability of a defined source of financing, the ARF policy option may support existing collection infrastructure, particularly operated by local government, more effectively than other policy options. The ARF option may also more effectively utilize existing recyclers due to the presence of collective contracting through the third-party organization.

Individual Responsibility: Since the individual responsibility approach does not require manufacturers to offer collection or raise revenue through a fee, it must rely on voluntary collection efforts by local government, retailers, haulers, and others.

Hybrid System: The hybrid financing approach supports the existing infrastructure to the same degree as the advance recycling fee due to the presence of a fee for televisions and manufacturer responsibility for the collection, transportation, and recycling of IT equipment.

- **Incentives for Design for the Environment**

Advance Recycling Fee: The OEA recognizes the importance of supporting design for environment efforts to promote recyclability of products, reduce toxic constituents, and recognize resource conservation. The proposed recommendation may not provide the same level of incentive for design for environment activities as a strict individual responsibility financing mechanism but the ability of one state to influence design changes using financial incentives may be limited. Recognizing the lack of drivers for design change inherent in the ARF approach, California requires compliance with the restrictions on hazardous substances (lead, mercury, hexavalent chromium and cadmium) adopted by the European Union. It is expected that only a minority of products sold in the US market will now be out of compliance with those restrictions.

Individual Responsibility: Since individual manufacturers are responsible for funding recycling activities for their share of collected products, this approach to financing would provide a more direct

economic signal to manufacturers to further consider design for environment practices. This is particularly true for manufacturers that operate recycling programs for their own and similar products. Given the shorter lifespan and turnover for IT equipment, recognizing and incorporating design-for-the-environment practices is more relevant than for televisions, which have an average lifespan of 15-17 years.

Hybrid System: IT manufacturers have the same incentives for design for the environment as addressed in the individual responsibility approach while the incentive for television manufacturers is negligible.

- **Private management of the program**

Advance Recycling Fee: With the creation of the Electronics Stewardship Association, a multi-stakeholder board will provide program management and oversight of the program. Not only will the ESA ensure that the necessary parties participate in operating the system, but also ensure that resources from state government are kept at a minimum.

Individual Responsibility: Since manufacturers are individually responsible for managing discarded products and no fee is collected, few resources from government are required to implement and operate the program. This approach encourages the development of partnerships directly between manufacturers and collection agents such as retailers and haulers.

Hybrid System: Private management of the program is expected under a hybrid model with television manufacturers participating in a statutorily created third-party organization and IT manufacturers choosing to fulfill their responsibility individually or through the third-party organization.

OEA Recommendation

After an evaluation of the three policy options and the desired attributes, the OEA recommends that the Legislature enact an advance recycling fee (ARF) to finance the collection and recycling of waste electronics. The OEA recommends an ARF based on its ability to provide reliable and defined funding for collection services as well as for orphaned and abandoned products. The OEA also believes that the ARF offers the greatest potential for broad participation from manufacturers and retailers.

Unlike the Electronic Waste Recycling Act enacted in California in 2003, the OEA recommends that implementation and management of the program be carried out by a third-party organization rather than by state government. The third-party organization would be created by statute and managed by a board of directors composed of representatives of manufacturers, retailers, local government, and environmental advocates. This approach engages all parties in program management, increasing the program's overall effectiveness while decreasing the need for state resources.

The management structure of the third-party organization and its ability to execute contracts with recyclers to process collected material offer strong opportunities to achieve cost efficiencies. The third-party organization would require environmentally sound management standards for the collected materials, including restrictions on the export of material to countries with weaker environmental standards.

The OEA recognizes that several parties that participated in the consultation process voiced concerns with the ARF, and will continue to work with those parties to address their concerns.

Description of 2004 Consultation Process

Following the conclusion of the 2004 legislative session, OEA convened a consultation process to examine policy options for legislative action on electronic waste. The process provided manufacturers, retailers, local government, environmental advocacy organizations, trade associations, recyclers, and others an opportunity to offer input and perspectives on various policy options for a state program. Please see Appendix B for a list of consultation process participants.

Manufacturers/Retailers Meetings

First meeting (July 14)

- Introduce process and outline objectives.
- Provide policy parameters from Governor's Office.
- Review legislative proposal from last session and outline approaches in California, Maine, and Alberta.
- Review history of issue in Minnesota (projects and policy).
- Facilitate discussion on various perspectives on financing models.

Objectives: Secure participant understanding of consultation objectives and begin discussion of potential financing options.

Second meeting (August 26)

- Continue discussion of financing models from July 14 meeting.
- Solicit feedback on specific financing models presented to participants.

Objective: Complete review of potential financing options.

Third meeting (September 21)

- Facilitate discussion on draft financing models.
- Introduce discussion of approach to providing collection services.
- Solicit feedback on approaches to development of performance measures.

Objective: Provide input to OEA on draft financing models.

Fourth meeting (October 18)

- Review draft financing options from OEA.
- Provide overview of next steps.

Objective: Secure participant understanding of draft financing options for Legislature.

Multi-stakeholder Forums

First meeting (August 5)

- Present overview of process and objectives.
- Solicit input on financing and collection strategies.
- Facilitate discussion on appropriate role for government.

Objectives: Secure understanding of process to develop recommendations.

Second meeting (October 7)

- Present methodology for determining performance metrics and solicit input on development of environmentally sound management standards.
- Review OEA draft recommendations.

Objectives: Secure understanding of draft recommendations.

Data Analysis

The following data may be useful to formulating a statewide policy on managing waste electronics.

Estimated Number of Electronics Sold in Minnesota in 2003 (units)

- Television sales: 608,000
- Desktop PC sales: 703,000
- Laptop sales: 266,000
- Printer sales: 570,000

Source: *Appliance Manufacturer Magazine*, EIA

U.S. Market Share by Brand

PCs

- Dell: 27.4 percent
- HP: 19.4 percent
- IBM: 4.6 percent
- Gateway: 3.3 percent
- Apple: 3 percent

Source: IDC U.S. data (3rd quarter 2004)

Televisions

1. Sony
 2. Panasonic
 3. Toshiba
 4. RCA
 5. Mitsubishi
- Top five brands: 54.2 percent
6. Hitachi
 7. Philips
 8. Samsung
 9. Sharp
 10. JVC
- Top ten brands: 76.4 percent

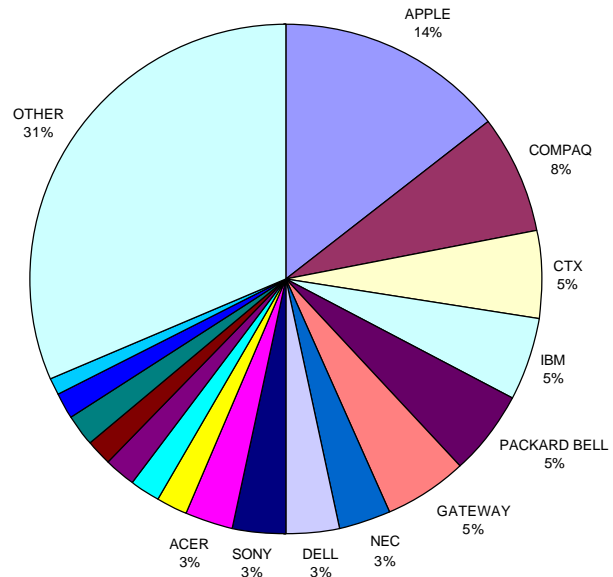
Source: NPD Consulting (2003)

Collected Material by Brand

The OEA conducted an analysis of brands and product vintage for electronics collected during an event in September 2004. The following data illustrates the brands that are being collected for recycling as well as how the return share for a particular manufacturer may help shape their preferred financing option.

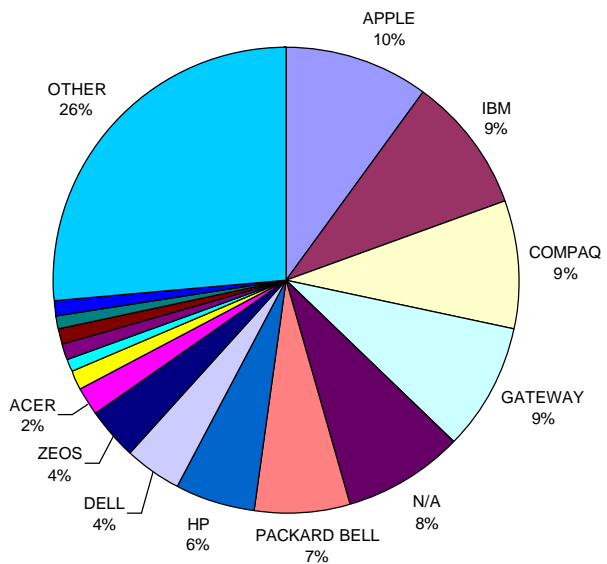
Monitors

Brand	Collected	Share	Weight (pounds)
APPLE	67	14.4%	2,006
COMPAQ	35	7.5%	1,100
CTX	25	5.4%	722
IBM	25	5.4%	649
PACKARD BELL	25	5.4%	670
GATEWAY	24	5.2%	844
NEC	16	3.4%	570
DELL	15	3.2%	596
SONY	15	3.2%	500
ACER	14	3.0%	390
N/A	10	2.1%	324
SAMSUNG	9	1.9%	252
VIEWSONIC	9	1.9%	332
GOLD STAR	8	1.7%	208
HP	8	1.7%	260
ZENITH	8	1.7%	214
MICRON	5	1.1%	188
OTHER	146	31.3%	4,347
TOTAL	466		14,254



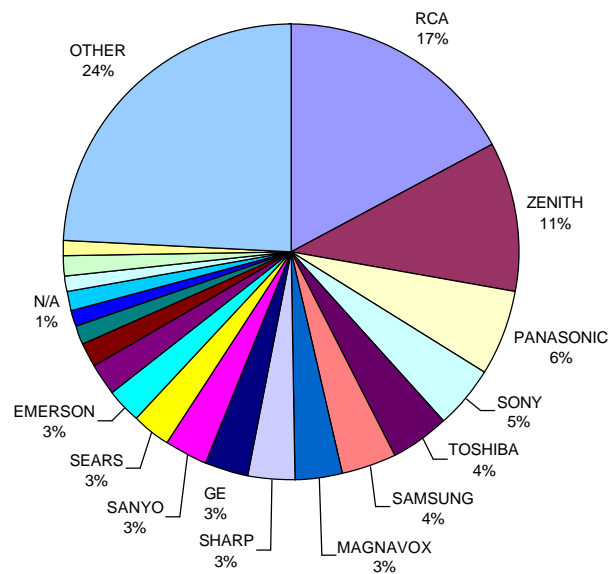
Desktop PCs

Brand	Collected	Share	Weight (pounds)
APPLE	30	10.0%	612
IBM	28	9.4%	668
COMPAQ	27	9.0%	696
GATEWAY	26	8.7%	678
N/A	25	8.4%	686
PACKARD BELL	20	6.7%	434
HP	17	5.7%	543
DELL	11	3.7%	310
ZEOS	11	3.7%	378
ACER	6	2.0%	130
EPSON	4	1.3%	104
NEC	3	1.0%	92
NORTHGATE	3	1.0%	106
PORTICO	3	1.0%	50
TANDY	3	1.0%	74
TIGER	3	1.0%	66
OTHER	79	26.4%	2,100
TOTAL	299		7,727



Televisions

Brand	Collected	Share	Weight (pounds)
RCA	41	17.3%	2,583
ZENITH	25	10.5%	1,552
PANASONIC	14	5.9%	386
SONY	11	4.6%	640
TOSHIBA	10	4.2%	408
SAMSUNG	9	3.8%	338
MAGNAVOX	8	3.4%	504
SHARP	8	3.4%	294
GE	7	3.0%	216
SANYO	7	3.0%	274
SEARS	7	3.0%	274
EMERSON	6	2.5%	152
MITSUBISHI	5	2.1%	326
JVC	4	1.7%	136
FUNAI	3	1.3%	82
MONTGOMERY WARD	3	1.3%	64
N/A	3	1.3%	104
SYLVANIA	3	1.3%	222
SYMPHONIC	3	1.3%	110
WARD	3	1.3%	146
OTHER	57	24.1%	2,851
TOTAL	237		11,662



Residential Material Expected to be Collected and Recycled Statewide

The OEA estimates that if a statewide program for electronic waste is enacted, the following amount of electronic waste from residences will be collected for recycling for 2006-2008.

- 2006: 13.1 million pounds
- 2007: 15 million pounds
- 2008: 18 million pounds

The estimate is based on the per capita amount collected in the Hennepin County program for 2003 and applied statewide. The projection assumes a one percent annual increase in Minnesota's population and a 16 percent annual increase in the amount of material collected. The projected collection volumes from residences are expected regardless of the financing mechanism selected.

Employment Projections

Recognizing the economic development potential of increased waste electronics recycling, the OEA surveyed recyclers to estimate full-time equivalent (FTE). The OEA estimates that one FTE is required to process approximately 1 million pounds per year. This does not include FTE required for collection and transportation services. Given this estimate, the OEA projects the following additional FTE will be necessary to process the expected residential collection volumes from 2006-2008.

- 2006: 13 additional employees
- 2007: 16 additional employees
- 2008: 19 additional employees

Attachment A: Minnesota Electronics Timeline

1995

The Minnesota Office of Environmental Assistance issues **Management of Waste Electronic Appliances**, a report to the state Legislature that developed estimates of the number of waste electronics entering the waste stream and gathered information on the toxic materials they contain. The OEA outlined management options and gave recommendations for improving the handling of electronic products in waste.

1999

The Minnesota Office of Environmental Assistance (OEA) issues a product stewardship policy proposal that names electronics containing CRTs as one of three priority products. The proposal establishes a policy framework that states the principles and goals of product stewardship. The proposal calls on manufacturers to assume some costs and responsibility for getting old products collected and recycled, and outlines a process for bringing industry and government together to set recycling goals.

1999–2000

- The OEA, Sony Electronics, Panasonic-Matsushita, Waste Management's Asset Recovery Group, and the American Plastics Council jointly fund and conduct a statewide electronics collection and recycling project. The three-month project involved 64 collection sites and brought in 575 tons of old electronic products—twice the amount anticipated by the project partners. The project evaluated product composition and yielded valuable findings about the costs and benefits of various collection methods and markets for the materials.
- The OEA and the Solid Waste Management Coordinating Board of the Metropolitan Counties convene a task force on electronic products containing CRTs to examine management and financing options, and to assess various markets for materials from recovered electronic products. Task force members include electronics manufacturers, retailers, recyclers, and local and state government representatives.

2000

Sony Electronics announces that the company will recycle for free any Sony products collected from Minnesota residents. (Note, as of 2004, Recycle America Alliance had established 17 drop-off points in southern Minnesota and the Twin Cities area.)

2001

The National Electronic Product Stewardship Initiative (NEPSI) begins. NEPSI, a multistakeholder dialogue with manufacturers, state and local government, U.S. EPA, retailers, recyclers, and national environmental organizations, is convened to reach agreement on how to establish and fund a national program for the recovery, reuse, and recycling of used electronics.

2002

Representative Ozment introduces legislation establishing a statewide program for waste electronics. Bill is heard in committee, but no vote is taken.

2003

Following consideration of a bill to enact a statewide program for waste electronics, the Legislature enacted a ban on the disposal of products containing cathode ray tubes starting July 1, 2005.

2004

- NEPSI holds its final meeting without reaching a financing mechanism acceptable to all dialogue participants.
- The Legislature considers HF 882 (Rep. Cox) and SF 838 (Senator Higgins).

Attachment B: 2004 Electronic Waste Consultation Process Participants

Manufacturers

- Doug Smith Sony
- Tim Mann IBM
- Valerie Pace IBM
- David Thompson Panasonic
- Butch Teglas Philips
- Michael Foulkes Apple
- Mike Longaker HP
- Renee St. Denis HP
- Mark Nelson HP
- Sonnie Elliot Lexmark
- Frank Marella Sharp

Retailers

- Laura Bishop Best Buy
- Sue Mills OfficeMax
- Kevin Johnson Target

State Government

- Senator Linda Higgins MN Senate
- Mike Bull Governor's Office
- Bob Eleff MN House Research
- Marilyn Brick MN Legislature
- Dave Weirens Association of MN Counties
- Ellen Telander MN Waste Wise
- Mike Robertson MN Chamber
- Tony Kwilas MN Chamber
- Jim Chiles MPCA
- Carol Nankivel MPCA
- Melissa Wenzel MPCA
- Rep. Ray Cox MN House
- Rep. Dennis Ozment MN House
- Jake Hamlin MN House
- Garth Hickle OEA
- Art Dunn OEA Director
- Caleb Werth OEA
- Anne Gelbmann OEA
- John Gilkeson OEA

Local Government

- Laura Villa Dakota County
- Dave Magnuson Dakota County
- Amy Roering Hennepin County
- Dave Kronlokken Blue Earth County
- George Minerich Stearns County
- Gary Noren Chisago County
- Tim Lundell WLSSD
- Lorilee Blais WLSSD

- Joe Wozniak Ramsey County
- Zack Hansen Ramsey County
- Mike Hanan Otter Tail County
- Amy Kowalzek Morrison County
- Phil Eckhert Hennepin County
- Mike Brandt Hennepin County
- Steve Steuber Scott County
- Paul Henrikson Lyon County
- Jim Kordiak SWMCB
- Nicola Blake-Bradley Sherburne County
- Mike Cook Rice County
- Paul Pieper Rice County
- Rick Frank Houston County
- Curt Gadacz Lake County
- Doug Morris Crow Wing County
- Anne Morse Winona County
- Gene Mossing Olmsted County
- Roger Schroeder Lyon County
- Kent Severson Clay County
- Ted Troolin St. Louis County
- Susan Young City of Minneapolis

Environmental Organizations

- Nina Axelson MCEA
- John Curry MCEA
- Cynthia Moore WI DNR
- Tim Rudnicki Computer Take Back Campaign
- Robin Schneider Computer Take Back Campaign
- Paul Gardner RAM
- Barry Tilley SWMCB
- Ted Smith Silicon Valley Toxics Coalition
- Cheryl Lofrano-Zaske RBRC
- Susan Hubbard Eureka Recycling

Trade Associations

- Todd Iverson Ewald & Associates
- Marnie Moore Cook Hill Girard
- Judy Cook Cook-Hill-Girard
- Kathie Doty Richardson Richter
- Bob Hentges Faegre & Benson
- Buzz Anderson MN Retailers Association
- Lloyd Grooms Winthrop & Weinstein
- Matthew Lemke Winthrop & Weinstein
- Peter Lindstrom MN High Tech Association
- Peg Larson RCS Consulting
- Kate Theisen Richardson Richter
- Doug Carnival McGrants Shea
- Sarah Psick Legislative Consultant, MN Hi-Tech Association

Recyclers

- David Paulson MN Computers for Schools
- Tamara Gillard MN Computers for Schools
- Jim Vosika J.R.'s Appliance
- Katy Boone J.R.'s Appliance
- Ryan Laber Asset Recovery Corp.
- Julie Ketchum Waste Management/RAA

Other

- Robert Dunn Moderator
- Joanie Burns Department of Environmental Protection – IRE