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## **S.F. No. 3940 - Collection and Recycling of Electronic Waste (A-1 Delete Everything Amendment)**

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**Section 1 [Definitions]** defines various terms used in the bill related to the collection and recycling of covered electronic devices.

**Section 2 [Manufacturers Must Participate in Plan]** requires manufacturers of covered electronic devices to participate in a plan for the collection and recycling of used covered electronic devices in order to sell the devices in this state. Prohibits retailers from selling covered electronic devices in this state unless the retailer has verified that the manufacturer participates in such a plan.

The plan must be approved by the Pollution Control Agency (PCA), must be updated every five years or as deficiencies are noted, and must be administered by a third party clearinghouse under contract with the agency. The plan must provide for the operation of collection sites; collection and recycling activities; a schedule for reimbursement of collectors, transporters, and recyclers; and must numerous other components.

**Section 3 [Registration Modifications]** modifies the statute requiring annual registration with the agency of manufacturers, collectors, and recyclers. Changes references in existing statute to “video display devices” so that they refer to “covered electronic devices” and “electronics recyclables” to reflect the bill’s expanded focus on all covered electronic devices and not just video display devices. Repeals language that was applicable only to video display devices. Makes various other minor changes. Adds language authorizing denial of registration under certain circumstances.

**Section 4 [Manufacturer Fee Modifications]** modifies the statute that requires payment by manufacturers of annual registration fees. Currently, those fees are based on a statutory formula. This section would instead charge each manufacturer a registration fee of \$2,500 during a transitional period, after which the fee would be determined under a sliding scale based on each manufacturer’s market share.

In addition to the registration fee, this section requires manufacturers to pay a quarterly operations fee calculated based on the manufacturer's market share that, when combined with the operations fees charged to other manufacturers, is sufficient to pay for the total cost of collecting, transporting, and recycling operations under the applicable plan during the previous quarter.

**Section 5 [Manufacturer, Collector, Clearinghouse, Recycler, and Retailer Responsibilities]**

modifies the statute that imposes responsibilities on manufacturers to require that the manufacturer assume all financial responsibility for costs incurred from collecting, transporting, and recycling covered electronic devices under an approved plan. Requires annual reporting on the implementation of approved plans.

Requires collectors to enter into a written agreement with the clearinghouse to operate in compliance with an approved plan, to furnish information to the agency to determine compliance upon request, to operate collection sites in accordance with enumerated requirements, and to submit quarterly reports to the clearinghouse on its activities.

Requires the clearinghouse to develop plans for submission to the PCA, to ensure that all plan participants are registered with the agency, to coordinate collection, transportation, and recycling activities, to manage reimbursement of collectors, transporters, and recyclers, and to perform various other duties.

Requires recyclers to enter into a written agreement with the clearinghouse to operate in compliance with an approved plan and to file quarterly with the clearinghouse on its activities. Raises from \$1,000,000 to \$5,000,000 the amount of liability insurance recycling facilities must carry.

Requires retailers to review registration information available on PCA's website and prohibits retailers from selling or offering for sale a covered electronic device that is not properly labeled and registered. Requires retailers to provide information to customers describing where and how covered electronic devices can be recycled.

**Section 6 [Transition to New Program]** imposes various one-time requirements during the period beginning July 1, 2025, and December 31, 2026. These requirements include modified fees and the charging to manufacturers of an additional advance operations fee.

**Section 7 [Agency Duties]** requires the PCA to review and approve plans submitted by the clearinghouse and to ensure that manufacturers pay required fees. This section also repeals language that is no longer needed as a result of changes made elsewhere in the bill. Requires the PCA to annually report to the legislature on the implementation of the bill.

**Section 8 [Covered Electronic Device Waste Collection and Recycling Account]** creates a covered electronic device waste collection and recycling account in the environmental fund and requires that the PCA to credit registration and operations fees to the account. Appropriates money in the account to cover the agency's costs to administer the program and to make payments to the clearinghouse, collectors, transporters, and recyclers.

**Sections 9 and 12 [Technical Changes]** make various technical and conforming changes in response to changes made elsewhere in the bill.

**Section 13 [Definitions]** defines various terms related to the collection and recycling of electronics recyclables used in the sections that follow. Whereas the preceding sections of the bill address “covered electronic devices,” section 13 and the sections that follow address the handling of “electronic recyclables.”

**Section 14 [Registration Required]** requires collectors and recyclers of electronics recyclables to register with the agency.

**Section 15 [Recycling Fee]** imposes a fee on retailers equal to 2.4 percent of the retail price of each new electronic recyclable it offers for sale in this state.

**Section 16 [Electronic Waste Recycling Account]** creates an electronic waste recycling account and requires recycling fees be deposited into the account. Money in the account is statutorily appropriated to provide grants to purchase and install equipment to improve air quality in or near recycling facilities, to administer the electronics recyclables program, to conduct an electronics recycling study, to reimburse collectors, and to establish a financial reserve.

**Section 17 [Collector Invoice and Reimbursement]** requires collectors to quarterly submit invoices for collecting, transporting, and recycling to PCA. Requires the PCA to reimburse collectors for reasonable costs.

**Section 18 [Responsibilities]** imposes various duties on collectors, recyclers, retailers, and the PCA, including requirements for collection sites; reporting requirements; retailer notification to purchasers about opportunities for electronics recycling; a duty of the PCA to consult with the Electronics Recyclables Advisory Committees.

**Section 19 [Reporting]** requires PCA to annually report to the appropriate legislative committees on the operation of the electronic waste recycling program.

**Section 20 [Other Recycling Programs]** prohibits state and local agencies from requiring purchasers of electronics recyclables to use public facilities to the exclusion of other facilities.

**Section 21 [Electronics Recyclables Advisory Committee]** requires the PCA to establish an 11 member Electronics Recyclables Advisory Committee to make recommendations to the agency about the operation of the two programs created by this bill.

**Section 22 [Electronics Recycler Air Quality Improvement Grant Program]** establishes a grant program to assist with the purchase and installation of equipment to improve air quality in or near recycling facilities.

**Section 23 [Electronics Recycling Study]** requires the PCA to contract with a third party to study barriers to electronics recycling and to make recommendations for overcoming those barriers.

**Section 24 [Repealer]** repeals various reporting requirements that are superseded by new language in the bill.