

March 11, 2025

The Honorable Tou Xiong
Chair, State and Local Government Committee
Minnesota Senate
95 University Avenue W.
Minnesota Senate Bldg., Room 3203
St. Paul. MN 55155

Re: SF 1690 (Kupec), Stewardship program establishment for circuit boards, batteries, and electrical products

Dear Chairman Xiong and Members of the Senate State and Local Committee:

The Association of Home Appliance Manufacturers (AHAM) appreciates the opportunity to comment on SF 1690, legislation that would establish a stewardship program for circuit boards, batteries and certain electrical products. The current market-based system already recycles nearly **80 percent of appliances and can be as high as 90 percent**. This legislation would wedge a new program into that success story. For the reasons outlined below, the Association of Home Appliance Manufacturers (AHAM) is opposed to SF 1690.

AHAM represents more than 160 member companies that manufacture 90% of the major, portable and floor care appliances shipped for sale in the U.S. Home appliances are the heart of the home, and AHAM members provide safe, innovative, sustainable and efficient products that enhance consumers' lives.

The home appliance industry is a significant segment of the economy, measured by the contributions of home appliance manufacturers, wholesalers, and retailers to the U.S. economy. In all, the industry drives nearly \$200 billion in economic output throughout the U.S. and manufactures products with a factory shipment value of more than \$50 billion.

In Minnesota, the home appliance industry is a significant and critical segment of the economy. The total economic impact of the home appliance industry to Minnesota is \$3.6 billion, more than 20,000 direct jobs and indirect jobs, \$468.5 million in state tax revenue and more than \$1.2 billion in wages.

SF 1690 would require a stewardship organization to implement and operate a program to collect used appliances that contain batteries and manage the components of those products. Rechargeable battery disposal safety depends on whether the battery is easily removable or removed properly by someone knowledgeable. Electric toothbrushes and shavers, for example, are regularly exposed to water. The product's battery must remain dry and cannot risk exposure to water. Security of the battery ensures safe use of the product. It is important that the battery remains securely in the product and not easily removed by the consumer.

Other jurisdictions that have considered or enacted similar legislation have exempted embedded batteries that are not easily removed with common household tools. <u>Washington state's 2023 law</u> exempted: "A battery in a battery-containing product that is not intended or designed to be easily

removable from the battery containing product." According to the law, "Easily removable means designed by the manufacturer to be removable by the user of the product with no more than commonly used household tools." Legislation currently being considered in Connecticut, as well as other states, also includes this provision.

An additional concern is that EPR programs generally charge by weight. Since payment is based on the weight of the whole product, non-easily removable embedded batteries are disadvantaged. An electric shaver, for example, does not have a removable battery pack and would have to pay for the weight of the entire product.

There is no need for a new program and fee structure to interfere with the current successful system that collects **78 percent of appliances**. Most appliances placed curbside are quickly collected because the value of the materials enclosed in the appliance incentivizes people to recover abandoned appliances and deliver them to a scrap yard for recycling.

Conclusion

AHAM appreciates the opportunity to provide comments on SF 1690 and strongly urges the Committee to oppose the bill. The current system for appliance recovery works and should be allowed to continue its successful path.

Sincerely,

Jacob Cassady

Director, Government Relations (202) 202.872.5955 x327

jcassady@aham.org

.

¹ AISI-and-SMA-Steel-Recycling-Rates-Report-Final-07-27-2021.pdf