

S.F. No. 1690 – E-Waste & Battery Stewardship (1st Engrossment)

Author: Senator Robert J. Kupec

Prepared by: Ben Stanley, Senate Counsel (ben.stanley@mnsenate.gov)

Date: March 7, 2025

Sections 1 & 2 [Conforming Changes] make conforming changes to reflect the repeal of statutory language that is superseded by this act.

Section 3 [Definitions] defines terms used in the e-waste stewardship program statutes, including:

- **Collector** A person that collects covered products and other electrical products on behalf of the stewardship organization and receives reimbursement from the stewardship organization for the collector's costs to collect and manage the products.
- **Covered Product** Includes:
 - Covered Batteries a battery of any type, physical size, or energy capacity except a lead-acid battery or a battery in a manufacturing, industrial, or other commercial setting;
 - Covered circuit board any circuit board except a circuit board from a
 major appliance; an appliance or tool powered by electrical power of 240
 volts alternating current or greater; or an appliance or tool designed,
 manufactured, and intended solely for use in manufacturing, industrial, or
 other commercial settings;
 - o Cathode-Ray Tubes; and
 - Products containing covered batteries, covered circuit boards, or cathode ray tubes subject to certain enumerated exceptions.
- **Covered Services** collection, sorting, storage, transport, processing, repair, refurbishment, reuse, recycling, or disposal of covered products, other electrical products and residual materials.
- Other Electrical Product an appliance or tool that is powered by electricity provided through a flexible cord with an attached standardized plug intended for temporary, manual connection to the electrical distribution system in a residential or commercial structure. The term does not include a covered product; a major appliance; an appliance or tool powered by electrical power of greater than 240 volts alternating current; or an appliance or tool designed, manufactured, and intended solely for use in manufacturing, industrial, or other commercial settings.

- **Producer** a person that manufactures or imports into the United States a covered product (including a covered product that is itself incorporated into a covered product) or other electrical product. The term also includes a person that owns or controls or is licensed to use a brand under which a covered product or other electrical product is sold.
- **Stewardship Organization** a nonprofit organization that enters into a contract with producers to administer an e-waste stewardship program.

Section 4 [Covered Products Reimbursement Board]

- **Subd. 1 [Establishment]** establishes a Covered Products Reimbursement Board ("Board") to recommend reimbursement rates for collectors to the commissioner.
- **Subd. 2. [Membership]** provides that the Board consists of 8 members: two representatives of household hazardous waste collection programs appointed by the commissioner, two representatives of collectors appointed by the commissioner, and four other members appointed by the stewardship organization.
- **Subd. 3. [Terms; Removal]** establishes four-year staggered terms for members of the Board. Provides that members may be removed by the appointing authority at any time at the pleasure of the appointing authority.
- **Subd. 4.** [Quorum] provides that a quorum of the Board is 6 (of 8) members, and that recommendations of the board require a majority vote (5 members).
- **Subd. 5.** [Administrative Support; Facilitator] requires the commissioner to provide administrative support to the Board. This subdivision also requires that the commissioner hire a facilitator who must schedule and chair meetings of the Board.
- **Subd. 6. [Meetings]** requires that the Board meet at least biannually and as often as necessary.
- **Subd. 7.** [Recommendations for Reimbursement Rates] requires the Board to submit recommendations for collector reimbursement rates by July 1 each year to be in place for the following calendar year. The rates must cover all costs of collection, labor and overhead, covered services, necessary collection and storage structures and containers, employee training, safety equipment, and other costs determined by the commissioner.
- **Subd. 8.** [Review and Approval of Reimbursement Rates] requires the commissioner to approve or reject recommended reimbursement rates within 90 days, after consultation with interested parties and the solicitation of public review and comment.
- **Subd. 9. [More Frequent Reimbursement Rate Changes]** allows the Board to submit a recommendation for changes to reimbursement rates at less than an annual interval.

Sec. 5 [Stewardship Plan and Budget]

- **Subd. 1.** [Stewardship Organization Contract; Submission of Stewardship Plan] requires all producers to contract with a single stewardship organization to act on the producers' behalf and for that stewardship organization to submit a stewardship plan for commissioner approval by October 1, 2027.
- **Subd. 2. [Plan Content; Budget]** requires a stewardship plan to include contact information for participating entities; information about collection sites and brands covered under the program; a description of how the program will provide convenient, statewide collection; performance standards and compliance measures; an explanation of how the program will ensure that covered materials and other electrical products will be managed through responsible markets; a proposed allocation of program costs among producers; an explanation of how the stewardship organization will meet reporting requirements and comply with various legal requirements; and related matters. This subdivision also requires the stewardship organization to submit an anticipated annual budget twice a year.
- **Subd. 3.** [Convenience Standards] requires a stewardship plan to provide for convenient, statewide collection for all covered products and to meet convenience standards that are based on each county's population.
- **Subd. 4.** [Review of Stewardship Plan; Implementation] requires the commissioner to approve or reject a stewardship plan within 120 days of receipt and to allow public comment on the plan for at least 30 days. Requires the stewardship organization to implement approved plans.
- **Subd. 5.** [Amending or Terminating a Stewardship Plan] allows the stewardship organization to make certain minor amendments to the plan as a matter of course without commissioner approval (e.g., contact information, the list of participating producers, etc.). Requires all other amendments to be approved by the commissioner before they can be implemented. Requires the stewardship organization to submit a new stewardship plan every five years unless amendments have been submitted to the commissioner during that time. Allows a stewardship organization to terminate a stewardship plan with 90 days' notice; allows the commissioner to terminate a stewardship plan for good cause.
- **Subd. 6.** [Compliance] requires the stewardship organization to comply with approved stewardship plans, including with the reimbursement rates approved by the commissioner, and to ensure that all costs of the program are fully paid by producers.

Section 6 [Stewardship Organization Duties]

- **Subd. 1. [Duties to Collectors]** requires the stewardship organization to provide reimbursement to collectors at the approved rate, covered services other than collection, containers for collected materials, signage, training and educational materials, and collection alternatives where a collector cannot safely collect certain materials.
- **Subd. 2.** [Accessibility] requires the stewardship organization to provide convenient, equitable, and accessible service to all Minnesotans.
- **Subd. 3.** [Oversight; Collector Eligibility] requires that collected materials are recycled to the maximum extent practicable and that residual materials are disposed of in compliance with applicable hazardous waste and solid waste requirements. Allows any person who

meets eligibility criteria to serve as a collector. Allows a stewardship organization to terminate a collector for good cause.

- **Subd. 4. [Program Effectiveness]** requires the stewardship organization to provide outreach and education to various parties and to take steps to reduce the amount of covered products in solid waste generated in this state.
- **Subd. 5.** [**Reporting**] requires the stewardship organization to report minor amendments to the stewardship plan and to report annually on the stewardship organization's activities during the preceding calendar year.

Section 7 [Fees]

- **Subd. 1. [Administrative Fees]** requires the stewardship organization to pay an administrative fee to the agency that is sufficient to cover the agency's cost of administering the stewardship program and the costs of the Board.
- **Subd. 2.** [Recovery of Abandoned Covered Materials] requires the commissioner to assess the stewardship organization for the cost of recovering any abandoned or improperly stored or disposed of covered products.
- **Subd. 3. [Disposition of Fees]** requires fees to be credited to a product stewardship account in the special revenue fund.

Section 8 [Collector Duties]

- **Subd. 1.** [Accepting Covered Products] requires collectors to accept at least ten covered products per person per day and requires collectors to accept covered products regardless of brand and physical size. This subdivision contains additional provisions governing household hazardous waste collection programs that serve as collectors.
- **Subd. 2.** [Accepting Other Electrical Products] authorizes collectors to accept other electrical products from a person but prohibits the charging of a fee for this service.
- **Subd. 3.** [Storing Accepted Products] requires collectors to manage and store all accepted covered products and other electrical products safely and in compliance with applicable law.
- **Subd. 4. [Training]** requires collectors to ensure and document that training is provided for collection site employees.
- **Subd. 5 [Recordkeeping]** requires collectors to maintain certain records for at least three years and to make those records available for inspection by the commissioner upon request.

Section 9 [Covered Products Recovery and Proper Management]

Subd. 1. [Recovery and proper management] authorizes the commissioner to order a person to recover and properly manage abandoned, improperly disposed of, or improperly stored covered products. If the person fails to do so, this subdivision requires the commissioner to give the stewardship organization an opportunity to recover and properly

manage the covered products. If the stewardship organization declines or fails to do so, the commissioner may recover and manage the covered products and must assess the stewardship organization for the cost of doing so.

Subd. 2. [**Private Right of Action**] provides the stewardship organization with the right to file an action against the person who was ordered to recover and properly manage the covered materials who failed to do so. This subdivision entitles the stewardship organization to an award of damages equal to double its actual costs.

Section 10 [Other Authorities and Duties]

- **Subd. 1. [Private Right of Action]** authorizes the stewardship organization to file a civil action to recover a portion of the stewardship organizations costs and provides for a punitive award of up to three times this amount against a producer who did not participate in the stewardship program.
- **Subd. 2.** [Conduct Authorized] exempts producers and stewardship organizations from otherwise applicable antitrust, restraint of trade, unfair trade practices, and related provisions of law.
- **Subd. 3.** [**Duty to Provide Information**] requires furnishing of information to the commissioner upon request where necessary to implement this act.
- **Subd. 4.** [Contracts] requires voiding of state contracts for the purchase of covered products or other electrical products for noncompliance with this act in certain situations. Makes contractors subject to suspension and disbarment in certain situations.
- **Subd. 5.** [Multistate Implementation] authorizes the commissioner to participate in establishing a regional multistate organization or compact to assist in carrying out the requirements of this act.
- **Subd. 6.** [Rules] Authorizes rulemaking to implement this act and exempts those rules from the otherwise applicable requirement to adopt those rules within 18 months.

Section 11 [Disposal Prohibitions; Battery Labeling; Covered Product Sales Restriction]

- **Subd. 1. [Disposal Prohibition]** prohibits disposing of covered products in solid waste or by placing a covered product into a recycling container that a collector has not clearly marked for use for collecting covered products.
- **Subd. 2.** [Labeling and Sale; Requirements] requires covered batteries or covered products that contain covered batteries to be labeled in a manner that identifies the chemistry employed to store energy in the battery. Prohibits sale of covered products or other electrical products unless the brand is included in a stewardship plan approved by the commissioner. This subdivision also includes limited exemptions.

Section 12 [Conforming Change] makes a conforming change to reflect the repeal of statutory language that is superseded by this act.

Section 13 [Conforming Change] makes a conforming change to reflect the repeal of statutory language that is superseded by this act.

Section 14 [Prohibiting Sale of Batteries Containing Mercury] prohibits the sale, distribution, or offering for sale of alkaline manganese batteries that contain mercury and that are not button cell nonrechargeable batteries; nonrechargeable button cell batteries that contain more than 25 milligrams of mercury; or dry cell batteries containing mercuric oxide electrodes.

Section 15 [Repealer] repeals current statutes governing the collection and recycling of video displays, electronic devices, and batteries, because the provisions of this act supersede those provisions.



Senate Counsel, Research, and Fiscal Analysis provides nonpartisan legislative, legal, fiscal, and analytical services to the Minnesota Senate. This document can be made available in different formats upon request.

www.senate.mn/scrfa/home | 651-296-4791 95 University Ave. W., STE 3300, Saint Paul, MN, 55155