June 21, 2016

Pennsylvania General Assembly
Capitol Park
Harrisburg, PA 17120

Honorable Pennsylvania Senators and Representatives:

Through alliance, our organizations represent the key stakeholder factions affected by the Covered Device Recycling Act (CDRA), Act 108 of 2010. With significant citizen and industry input to each group, we unite in our concerned disapproval of CDRA and its proposed amendment, (HB1900 Ross). We are in consensus on the steps necessary to revamp and greatly improve the situation.

CDRA inadvertently created an environment in which a once growing electronic waste recycling infrastructure was victimized by an exploitative system. This forced counties and recyclers to abandon their once productive programs. Today throughout the Commonwealth, services are now inadequate to handle all devices covered by the law and in many counties nonexistent. HB1900 will not remedy the situation. Like CDRA, HB1900 fails to incentivize electronics manufacturers to fulfill their obligations and does not ensure a level playing field for collection programs; scrap recyclers; transporters; and most importantly, Pennsylvania citizens - your constituents.

We ask for your review and consideration of the attached document. It explains our concerns, but also offers a comprehensive sustainable solution. The recommendations were authored by industry and policy experts and supported by our broad coalition of stakeholders that includes county and local governments.

Respectfully Submitted,

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REGARDING
CDRA (ACT 108 of 2010)
AMENDMENT (HB 1900 ROSS)

OUR CONCERNS

Our concerns and observations with the Covered Device Recycling Act (CDRA) originate from feedback that has been received by each organization, from many stakeholders of the recycling supply chain. This includes but is not limited to local and county public officials, collection program operators, e-waste processors, and equipment manufacturers.

Our collective CDRA concerns and observations, which include review of the recently released amendment (HB1900 Ross), are as follows:

1. Various sections of CDRA and the amendment allow for generous and broad interpretation of the law, which often lead to ambiguity in application of the law;

2. CDRA and the amendment have gaps in what is required for reporting detail(s), which makes data tracking and trend analysis difficult if not impossible;

3. Although CDRA has been considered an Extended Producer Responsibility (EPR) type law, CDRA and the amendment are weak in its application of EPR concepts, leading to a disposal ban without adequate planning or convenient, accessible and equitable infrastructure state-wide to support the same;

4. CDRA and the amendment are absent of reasonable, supply chain balanced criteria for establishing and sustaining collection, transportation, and recovery infrastructure;

5. Unfortunately, CDRA has demonstrated that a disposal ban when coupled with weakly structured EPR concepts prompts local and county governments to serve the needs of the citizenry, rather than the producers, resulting in an unfunded mandate of local government;

6. CDRA and the amendment have artificial market share caps, convoluted allocation of financial obligations, and conflicting collection program criteria, especially when paired with a disposal ban, which lead to further market instability, and equally create imbalanced market conditions whereby stakeholders can be financially exploited;

7. CDRA can allow unscrupulous operators to be part of the e-waste recycling supply chain often resulting in environmental pollution and extra costs to municipal governments;

8. CDRA and the amendment limits options for the management of CRT and lead-containing glass;

9. CDRA and the amendment rely on manufacturer registration fees for coverage of the cost of administration of the law by the Commonwealth rather than sharing the responsibility for the costs to administrate the law with consumers thus separating those expenses from the manufacturers with the responsibility for covering the cost of physically recovering e-waste.

WE SUPPORT

Our organizations support these corrective alternatives to the Covered Device Recycling Act (CDRA) for waste electronic equipment management in Pennsylvania. The following criteria to manage Waste Electronic Equipment are intended to dramatically amend or replace the Covered Device Recycling Act, Act 108 of 2010.

1. **WE SUPPORT** a bill that is highly detailed, explicit, and direct, not a bill that allows for broad interpretation and ambiguity;
2. **WE SUPPORT** a bill that has clearly defined duties, deadlines, and accountability for all stakeholders, otherwise, disagreement in enforcement of the law can be an unintended consequence;
3. **WE SUPPORT** a bill that calls for relevant and timely reporting of measureable outcomes so that defined management and application of program data can be applied to program improvements. Absence of insufficient reporting details make future trend analysis and forecasting impossible;
4. **WE SUPPORT** a bill that clearly defines Extended Producer Responsibility (EPR) responsibilities. This should include a method of projecting total system costs for the next year, Original Equipment Manufacturer (OEM) allocated financial obligations, and a timeline to ensure reasonable and available cash flow for uninterrupted financial continuity to support the operation. Monetary incentives lined with performance criteria should be included to promote efficiency, and cost reduction;
5. **WE SUPPORT** a bill that sets minimum standards for collection sites, which in turn helps to manage and control operational excesses and costs by site operators. Minimum criteria should include a site in every county, with consideration given to requiring sites in municipalities of 10, 000+ population, as well as options for at-home collections services.;
6. **WE SUPPORT** a bill that ensures comprehensive service coverage through a state organized system of services (State Default Plan) , which then allows Original Equipment Manufacturers (OEMs) to manage site operations and costs by selecting sites of their choice from the Default Plan to operate these sites independently;
7. **WE SUPPORT** a bill that does not require local government involvement, but allows for it under controlled conditions;
8. **WE SUPPORT** a bill that ensures just compensation and fair pricing by establishing a competitive bidding process for the State Default Plan services. The bill should require Original Equipment Manufacturers (OEMs) to cover the cost of all covered materials physically collected, transported, and processed under the system throughout the entire year;
9. **WE SUPPORT** a bill that allows for new technologies and options for cathode ray tube glass management, i.e., tube televisions and computer monitors, including alternate covers and retrievable landfill cells for CRT glass treated to meet the limits for Subtitle D facilities, provided the facility is permitted by the state regulatory agency to accept this material;
10. **WE SUPPORT** a bill that provides for increasing the professional credentials and operating requirements for e-waste recyclers in the Pennsylvania General Permit (WMGR081) and in the service procurement process;
11. **WE SUPPORT** a bill that includes shared consumer responsibility for the program through inclusion of a reasonable point-of-purchase fee per each covered device sold (suggested at $0.30) that would be deposited in a fund dedicated to administration, enforcement, education, and research/development. This separates the cost of administration of the law from enforcement of the law. Retailers should retain a portion of the fee (suggested $ 0.03) as compensation for their administrative costs.