



## Connecticut Recyclers Coalition Supports Shared Responsibility for E-Waste Recycling!

The Connecticut Recyclers Coalition is a group of corporate, municipal, institutional and private members working with recycling and related issues in Connecticut. Through meetings, phone conferences, document review and personal contacts, the CRC Electronics Working Group has examined existing programs in California, Maine, and Washington, and other proposals such as the Council of State Governments/NERC model. This extensive review has led us to support a Shared Responsibility model with a strong Producer Responsibility component as the model which will serve Connecticut citizens best.



### What is Shared Responsibility?

- Manufacturer
  - Establishes and manages program
  - Pays for recycling
  - Competes for better efficiencies within government-set standards
- Government
  - Local gov't helps with education and collection
  - State, regional or federal sets standards and provides oversight
- Retailer
  - Assists with education and data collection
  - Does not sell non-compliant products
- Consumer
  - Disposes responsibly within established framework

### Who Supports Shared Responsibility?

- Connecticut Department of Environmental Protection (DEP)
- Hewlett-Packard (HP)
- Dell (individual manufacturer responsibility.)
- Connecticut Retail Merchants Association
- State of Maine
- State of Washington
- Council of State Governments/Eastern Regional Conference/Northeast Recycling Council (CSG/NERC)
- Connecticut Recyclers Coalition

### Important components of E-waste legislation

- Convenient, accessible drop off locations (*key to maximizing recycling!*)
- No end-of-life fee for recycling (*key to maximizing recycling!*)
- No taxes or fees; manufacturers finance the system
- Minimal administration at all levels of government
- Limited or no cost to municipalities
- Mandatory participation by manufacturers or can't sell in State
- Disposal ban after infrastructure established
- No creation of new "orphan" wastes
- Total program must drive toward more recycling and better efficiencies, not just handling waste



## How will it work?

There are several ways Shared Responsibility can be financed. Each process below built upon the experiences of the previous ones.

- Maine Program — Financing based on return share. Recyclers count by brand; manufacturers are billed directly.
- Washington Law — Financing based on sample of return share to determine percentage each plan must pay for. Then manufacturers determine how to charge themselves based on market share, return share, or other financial assurances.
- CSG/NERC Model (HB5453) — Model program for Northeast area. Financing based on market share run by Third Party Organization (TPO) or State (CRC strongly prefers a TPO) .

*Mixed Financing Model— Most financing mechanisms in their purest form will create winners and losers. Consider, for example, the lifespan of the typical TV compared to the lifespan of a laptop and that effect on market share vs. return share. CRC believes that after choosing a core financing model, modifications can be made to minimize inequities. Regulatory review with all the stakeholders will be required to work out the details.*

## Why Shared Responsibility with manufacturers paying and not an Advanced Recycling Fee (ARF)?\*

- Shared Responsibility gives manufacturers incentives to design products that are less toxic, longer-lived and easier to recycle, as they are already doing in Europe.
- It's a non-tax solution.
- Recycling becomes a cost of doing business.
- Manufacturers will use their business know-how to create innovative solutions that work for them, thus making the process more efficient.
- Shared Responsibility avoids a big government bureaucracy.
- Consumers always ultimately pay — but costs will be driven lower.

\* See *handout for details*

***Thank you for supporting recycling!***

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## ***Why Shared Responsibility where the Producer Pays is better than an ARF approach***

- 1. Shared Responsibility gives manufacturers incentives to design products that are less toxic, longer-lived and easier to recycle, as they are already doing in Europe.***

Only manufacturers have the ability to design less-toxic products; governments and consumers can't control product design. Electronic products currently contain lead, mercury, brominated flame retardants, and other hazardous substances. When these products are landfilled, incinerated or shipped to developing nations, they pose a very real threat to human health and the environment. A producer-paid recycling program gives manufacturers a financial incentive to decrease their recycling and disposal costs by designing "greener" products: products with fewer toxics, ones that stay in use longer, and products that are easier to dismantle. Manufacturer responsibility for electronics has already taken hold in Europe and Japan, and manufacturers are voluntarily developing a system in Canada. The same electronics manufacturers are also selling products to U.S. citizens. We should receive the same level and quality of service as provided elsewhere.
- 2. It's a non-tax solution.***

Citizens often perceive Advanced Recycling Fees – visible fees collected by government at the point of purchase – as a government tax. With manufacturers responsible for paying, the collection and recycling costs are "internalized" – included in the price of new products – rather than funded through taxes, solid waste fees or additional fees at the time products are discarded.
- 3. Recycling becomes a cost of doing business.***

When manufacturers pay to recycle their products, recycling becomes a cost of doing business (just like supplies, salaries or pollution controls). The recycling costs will likely be included in the price of the product, and the price will be closer to telling the truth about the environmental cost of products.
- 4. Manufacturers will use their business know-how to create innovative solutions that work for them, thus making the whole process more efficient.***

Producer Responsibility harnesses private market forces and private sector ingenuity to develop smart, efficient and effective recycling programs. Manufacturers plan and finance the programs, but are not expected to process the equipment or provide the collection services themselves. Instead, they enter into business-to-business arrangements with businesses and programs, such as private recyclers, charities, haulers, retailers, and government facilities. Producer Responsibility allows flexibility for manufacturers to decide how best to implement the recycling program given their individual business models. It also creates a level playing field, making it easier for manufacturers to do the right thing.
- 5. Producer Responsibility avoids a big government bureaucracy.***

By establishing a recycling system entirely planned and paid for by manufacturers, there is no need for state or local governments to set up an expensive bureaucracy for collecting fees or to run and manage programs. State government is responsible for doing what it does best – oversight and enforcement. California's ARF program has 3.3 state employees per million population compared to 1.5 per million for Maine and .6 projected for Washington state.
- 6. Consumers always ultimately pay – but costs will be driven lower.***

When manufacturers fund collection and recycling programs, the costs will likely get passed on to the consumer as a small increase in the product's price. However, market forces and efficiencies in the Shared Responsibility system will drive costs down. The same market forces that result in improved products at lower prices will be applied to the recycling of those products.

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