

**Before the
JOINT LEGISLATIVE AIR AND WATER POLLUTION CONTROL AND
CONSERVATION COMMITTEE
Pennsylvania House of Representatives
Harrisburg, PA**

October 4, 2007

**COMMENTS OF THE
CONSUMER ELECTRONICS ASSOCIATION**

Introduction

The Consumer Electronics Association (CEA) thanks you, Mr. Chairman, and Committee Members, for the opportunity to present our views on the very important issue of electronic waste. CEA recognizes that given Pennsylvania's large population and influence, and the necessity to address the ever growing concern of how to dispose of electronics products safely and efficiently, it is imperative that we work closely with your Committee and others in the legislative environment to reach a fair and effective outcome on the issue of e-waste. According to the U.S. Census Bureau, the computer and electronic product manufacturing industry includes 703 different companies operating in Pennsylvania that provide more than 41,000 jobs with an annual payroll of \$1.9 billion.¹

CEA represents more than 2,100 companies involved in the design, development, manufacturing, distribution and integration of audio, video, in-vehicle electronics, wireless and landline communications, information technology, home networking, multimedia and accessory products, as well as related services that are sold through consumer channels. CEA also produces the nation's largest annual trade event, the International CES.

The increasing importance of consumer electronic (CE) products to performing daily tasks, as well as the speed at which CE products adapt to new technologies, is presenting our industry with a growing need to address what happens at the products' end-of-life. In Pennsylvania, alone, CEA estimates that sales of CE products will reach \$8 billion by year end 2007. What happens to those products at the end of their useful life is clearly of concern to the Commonwealth.

CEA and its members are committed to the responsible recycling and reuse of consumer electronics products. Recycling of electronics must be made easy and convenient for consumers. Many of our member companies work to minimize materials of potential concern and use significant amounts of recycled content in the production process. CEA recognizes that the issue of electronics waste is pervasive and mounting and on behalf of our members we are engaged in discussions about how to manage this growing concern at the local, state, federal and international levels. CEA members are keenly aware that e-waste policies are essential and needed, and have been working closely with legislators at the state and federal levels to ensure

¹ http://www.census.gov/econ/census02/data/pa/PA000_31.HTM

policies are fair and effective. At this time, nine states have signed some form of e-waste legislation into law. Many more states are considering e-waste legislation. While CEA believes that e-waste must be managed appropriately, this ever-growing web of differing state laws has had a significant impact on our members, particularly as they work to adjust their business models to adapt state-by-state. Ultimately, CEA advocates for one national solution to the e-waste problem. The current state-by-state patchwork of evolving mandates results in clear costs, both to public and private sector entities, would not exist with the introduction of a national electronics recycling program.

In addition to working towards a national solution for electronics waste, CEA is committed to consumer education on the need for recycling at the end of life. At the 2007 International CES, CEA launched myGreenElectronics.org which empowers consumers to responsibly use, reuse, and recycle their electronics with the use of an online searchable database of electronics recyclers, a database of green products and tips for saving energy with electronics.

Consumers are becoming more and more aware of the energy savings associated with the use of consumer electronics products particularly given the extent to which CE products facilitate increased telecommuting, electronic commerce and remote communication. A new national study commissioned by CEA shows that using electronics to telecommute saves the equivalent of 9 to 14 billion kilowatt-hours of electricity per year — the same amount of energy used by roughly 1 million U.S. households every year. The findings also indicate the estimated 3.9 million telecommuters in the United States reduced gasoline consumption by about 840 million gallons, while curbing carbon dioxide (CO₂) emissions by nearly 14 million tons. This level of CO₂ reduction is equal to removing 2 million vehicles from the road every year. The study, conducted by TIAX LLC of Cambridge, Massachusetts, found that just one day of telecommuting saves the equivalent of up to 12 hours of an average household's electricity use. Telecommuting also saves 1.4 gallons of gasoline and reduces CO₂ emissions by 17 to 23 kilograms per day, showing the power of one individual to impact their environment in a single day by using electronics.

CEA recognizes that education on energy savings potential, proper use and disposal of electronics and options for end-of-life is a priority and we welcome today's opportunity to provide comments on an issue that is paramount to the industry we represent.

Overall CEA Comments

CEA Supports a National Solution for Electronics Recycling. CEA strongly believes that a national solution is the most appropriate way to address this public policy challenge, primarily as a means to avoid an undesirable patchwork of state legislative mandates. According to a study on the economic effects of the state patchwork of electronics recycling legislation performed in October 2006 by the National Electronics Recycling Information Clearinghouse (produced by the National Council for Electronics Recycling), “the evolving patchwork of differing state-level electronics recycling mandates results in several quantifiable costs to public and private sector entities that would not exist with the introduction of a national electronics recycling program.” Using cost estimates provided by principal public and private sector entities in state electronics recycling programs, the study estimates that unneeded costs of more than \$2.9 million per state

would be paid which, given the potential of between four and twenty differing state programs, may range from \$25 - \$125 million in wasted costs per year.

CEA recognizes that a solution is needed quickly, but our concern is that as states move forward and adopt legislation that differs from other states' requirements, additional costs will affect our members' bottom lines. A national solution is necessary and possible and CEA is working currently with several federal legislators to examine what federal solutions are possible. On the House side, Representative Albert Wynn of Maryland is heading efforts to develop e-waste legislation and Senator Ron Wyden of Oregon is doing the same on the Senate side. CEA strongly supports manufactures' and retailers' voluntary efforts to foster electronics recycling programs in the meantime. CEA also encourages retailers to communicate to their consumers on proper disposal methods.

CEA Encourages Shared Financial Responsibility for Electronics Recycling. CEA advocates strongly for a shared financial responsibility among all stakeholders - manufacturers, retailers, consumers and local, state and federal governments - for electronics recycling at all levels of legislation. Any legislative solution that mandates sole manufacturer financing of collection, transportation and recycling of electronics waste treatment at product end-of-life is unbalanced and unfair. Placing the financial burden solely on the manufacturers is contrary to the concept of shared responsibility which CEA believes is the best option for recycling financing. A primary responsibility of manufacturers lies in product design. Most CE manufacturers have reduced and in most cases eliminated the use of potentially hazardous substances in their products. Additionally, manufacturers have developed new ways to incorporate recycled components and design for responsible end-of-life. CEA supports market-driven environmental design initiatives, including federal and state government programs that give preference towards purchasing of environmentally preferable technology products.

CEA Supports Consumer Education Initiatives. CEA recognizes that the recycling of electronics products is essential as we work to do our part to contribute to a more sustainable world. Recycling must be made convenient, cost-effective and easy for individuals, businesses, community centers, schools and government agencies to take part. In order to educate consumers about options for electronics products at the end-of-life, CEA launched myGreenElectronics.org at the 2007 International CES. myGreenElectronics.org empowers consumers by providing online resources regarding responsible use, reuse, and recycling of electronics with the use of an online searchable database of electronics recyclers, a database of green products and tips for saving energy with electronics. CEA liaises with our members to make these resources available and transparent to all interested stakeholders. We will continue to buoy our education effort and have plans to expand upon this website in 2008.

CE Manufacturers are Industry Stewards. As technology develops, and companies better understand the consequences of their products' impacts on the environment, CE manufacturers around the globe reduce or, where appropriate, eliminate materials in design and production that may have harmful environmental impacts and promote resource conservation at every phase of the product life cycle. This commitment includes minimizing the release of pollutants into the ecosystem, using inputs made of recycled materials and developing ways to recycle components and final products at the end-of-life. CEA members recycle hundreds of tons of products each

year, strive to significantly reduce product packaging and even go the extra mile to ‘green’ their facilities or become carbon neutral. CE companies perform continuous due diligence to ensure compliance with existing national and international restrictions (including the EU Restrictions on the Use of Hazardous Substances in Electronics and Electrical Equipment, or ‘RoHS’), despite varying parameters across the globe, and often go over and above the conditions required of them, particularly in the case of materials and substances restrictions.

CE Products Contribute to Increased Forms of Energy Savings. With power companies looking to reduce electricity demand, and our nation seeking to reduce our dependence on fossil fuels, there is a great deal of potential for the consumer electronics industry to drive emissions reductions and energy savings through telecommuting and other forms of remote operation. Telecommuting saves 1.4 gallons of gasoline and reduces CO2 emissions by 17 to 23 kilograms per day, showing the power of one individual to impact the environment in a single day by using electronics. As more consumers direct their attention to the proper use and disposal of electronics products, the effects on our environment will be more and more positive.

CE companies have developed numerous ways to ensure that their products are efficient in use and easily and safely disposed of at the end-of-life. The electronics industry is constantly exploring new avenues of growth for their businesses, coupled with ways to be more environmentally conscientious, which may include incorporating streamlined packaging, differing design mechanisms and developing products that take up less space in landfills. Our members have also developed numerous programs that provide recycled and refurbished products to rural villages in developing countries. This attention towards sustainable development is a key part of our industry’s corporate and social responsibility efforts.

The growing need to address electronics waste will be an ever-present issue for the Commonwealth and CEA looks forward to continuing to work with this Committee to address the important issue of electronics recycling.