



Consumer Electronics Association
1919 South Eads Street
Arlington, VA
22202 USA
(866) 858-1555 toll free
(703) 907-7600 main
(703) 907-7601 fax
www.CE.org

June 12, 2008

Governor Linda Lingle
Office of the Governor
Hawai'i State Capitol, Executive Chambers
Honolulu, Hawai'i 96813

FAX (808) 586-0006
Governor.Lingle@hawaii.gov

Re: Relating to Electronic Device Recycling (SB 2843) – VETO

Dear Governor Lingle,

The Consumer Electronics Association (CEA) appreciates the opportunity to comment on this e-waste bill that was passed recently by the legislature. 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.

As this measure worked its way through the legislature CEA and other industry trade associations tried to improve the legislation but we were unable to come to agreement over several key elements in the bill. CEA has serious concerns about provisions inserted into SB 2843 that create confusion and attempt to address problems that do not exist and, for the reasons specified below, urges you to veto this measure.

Specific CEA Concerns

Proposed Product Scope is Too Broad. The electronics recycling measure now before you includes a broader scope of products than any other e-waste legislative proposal enacted to date by any U.S. state legislature. States that have mandated recycling financing on computer equipment have focused their efforts on where there is a need – and that need relates to household consumers, and potentially small business entities that act like household consumers. Larger businesses, corporations, governments, and others included in this draft of SB 2843's definition of "covered entity" already have ready access to recycling services through their procurement practices.

Used computer equipment generated by these larger entities typically retains significant reuse value as whole units and/or via components such as mother boards and sound and video cards. Reuse of this equipment is a natural extension of the computer usage markets and should be encouraged. Unfortunately, inclusion of computer equipment generated by these larger entities will throw this equipment into a system designed primarily for recycling, not reuse, and thus likely reduce reuse of perfectly reusable equipment.

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, including the Honolulu Department of Environmental Services (see http://envhonolulu.org/solid_waste/archive/Computer_Recycling.html). We will continue to buoy our education effort and have plans to expand upon this website throughout 2008.

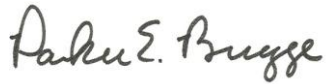
CEA Actively Supports a National Solution

CEA strongly believes that a national solution is the most appropriate means to addressing this significant public policy challenge, primarily as a means to provide consistency in recycling opportunities to consumers and for uniform requirements for manufacturers along with other key stakeholders. Without a uniform national requirement, an ad-hoc array of state regulation imposes unnecessary financial and administrative burdens on global technology companies, which will ultimately increase costs to consumers. Each state and municipality that creates a new authority with a new governing body, or creates a new administrative or enforcement structure, is duplicating many of the implementation struggles

already underway in other states around the country. Electronics recycling is a national issue that warrants a national solution.

CEA greatly appreciates your interest in creating viable, efficient electronics recycling systems but respectfully urges you to veto SB 2843. Thank you for considering our industry's concerns.

Sincerely,

A handwritten signature in black ink that reads "Parker E. Brugge". The signature is written in a cursive style with a large initial "P".

Parker E. Brugge, Esq.
Vice President, Environmental Affairs and
Corporate Sustainability