

SENATE No. 473

The Commonwealth of Massachusetts

PRESENTED BY:

Marc R. Pacheco

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to information technology producer responsibility.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	
<i>Marc R. Pacheco</i>	<i>First Plymouth and Bristol</i>	
<i>James B. Eldridge</i>	<i>Middlesex and Worcester</i>	<i>2/1/2017</i>
<i>Michael D. Brady</i>	<i>Second Plymouth and Bristol</i>	<i>2/2/2017</i>

9 “Computer”, a desktop or notebook computer, computer monitors and printers; provided,
10 however, that “computer” shall not include an automated typewriter, professional workstation,
11 servers, in-car infotainment device, in-car infotainment system, mobile telephone, portable
12 hand-held calculator, portable or personal digital assistant, MP3 player, global positioning
13 systems, telephones or mobile telephones of any type, or other similar device; provided further,
14 that “computer” shall not include computer peripherals, commonly known as cables, mouse or
15 keyboard; and provided further, that ”computer” shall not include televisions.

16 “Consumer”, any individual or a small business who has used covered electronic
17 equipment primarily for personal or small business use; provided, that a “consumer” shall not
18 include any entity involved in a wholesale transaction between a distributor and a retailer.

19 “Covered electronic equipment”, any computer and television marketed and intended for
20 use by a consumer; provided, however, that “covered electronic equipment” shall not include an
21 electronic device that is: (i) part of a motor vehicle or any component part of a motor vehicle
22 assembled by, or for, a vehicle manufacturer or franchised dealer, including replacement parts
23 for use in a motor vehicle; (ii) functionally or physically a part of, or connected to, or integrated
24 within equipment or a system designed and intended for use in an industrial, governmental,
25 commercial, research and development, or medical setting, including, but not limited to,
26 diagnostic, monitoring, control or medical products as defined under the Federal Food, Drug, and
27 Cosmetic Act, or equipment used for security, sensing, monitoring, anti-terrorism, emergency
28 services purposes or equipment designed and intended primarily for use by professional users; or
29 (iii) contained within a clothes washer, clothes dryer, refrigerator, refrigerator and freezer,
30 microwave oven, conventional oven or range, dishwasher, room air conditioner, dehumidifier, air
31 purifier or exercise equipment.

32 “Department”, the department of environmental protection.

33 “Desktop computer”, an electronic, magnetic, optical, electrochemical or other high
34 speed data processing device performing logical, arithmetic and storage functions for general
35 purpose needs which are met through interaction with a number of software programs contained
36 therein: (i) which is not designed to exclusively perform a specific type of limited or specialized
37 application; (ii) for which human interface is achieved through a standalone keyboard,
38 standalone monitor or other display unit and a standalone mouse or other pointing device; (iii)
39 which is designed for a single user; and (iv) which has a main unit that is intended to be
40 persistently located in a single location such as a desk or on the floor.

41 “Manufacturer”, a person who: (i) manufactures covered electronic equipment under a
42 brand that it owns or is licensed to use, for sale in the commonwealth; (ii) manufactures covered
43 electronic equipment without affixing a brand for sale in the commonwealth; (iii) resells into the
44 commonwealth covered electronic equipment under a brand it owns or is licensed to use
45 produced by other suppliers, including retail establishments that sell covered electronic
46 equipment under a brand the retailer owns or is licensed to use; (iv) imports into the United
47 States or exports from the United States covered electronic equipment for sale in the
48 commonwealth; (v) sells at retail covered electronic equipment acquired from an importer that is
49 the manufacturer as described in clause (iv), and elects to register in lieu of the importer as the
50 manufacturer for those products; (vi) manufactures covered electronic equipment, supplies
51 covered electronic equipment to any person or persons within a distribution network that
52 includes wholesalers or retailers in the commonwealth, and benefits from the sale in the
53 commonwealth of those covered electronic equipment through such distribution network; or (vii)
54 assumes the responsibilities and obligations of a manufacturer under this chapter; provided,

55 however, that in the event the manufacturer is one who manufactures, sells or resells under a
56 brand it is licensed to use, the licensor or brand owner of such brand shall not be included in the
57 definition of manufacturer under clauses (i) or (iii); provided further, that where an assertion is
58 made that more than 1 person is a manufacturer of a certain brand of covered electronic
59 equipment under this chapter, any 1 or more such persons may assume responsibility for and
60 satisfy the obligations of a manufacturer under this chapter with respect to covered electronic
61 equipment bearing that brand; and provided further, that if no person assumes responsibility for
62 and satisfies the obligations of a manufacturer for the covered electronic equipment of that
63 brand, the department may consider any of those persons to be the responsible manufacturer for
64 purposes of this chapter.

65 “Manufacturer’s collection amount”, the total weight in covered electronic equipment
66 that has reached the end of its useful life that each manufacturer is responsible for collecting
67 annually, as measured by the product of the statewide collection goal and the manufacturer’s
68 market share.

69 “Market share”, a manufacturer's percentage share of the total weight of covered
70 electronic equipment sold, as determined by the department using the best available commercial
71 analytical information reported by weight, of either state-specific data or national data
72 extrapolated to the state based on population.

73 “Notebook computer”, an electronic, magnetic, optical, electrochemical or other high-
74 speed data processing device performing logical, arithmetic or storage functions for general
75 purpose needs which are met through interaction with a number of software programs contained
76 in the device: (i) which is not designed to exclusively perform a specific type of limited or

77 specialized application; (ii) for which human interface is achieved through a keyboard, video
78 display greater than 4 inch in size, and mouse or other pointing device, all of which are contained
79 within the construction of the unit; and (iii) which can be carried as 1 unit by an individual;
80 provided, however, that a “notebook computer” shall not include a portable handheld calculator
81 or a portable digital assistant or similar specialized device.

82 “Person”, an individual, business entity, partnership, limited liability company,
83 corporation, not-for-profit corporation, association, governmental entity, public benefit
84 corporation or public authority.

85 “Program year”, a full calendar year beginning on or after January 1, 2018.

86 “Recycle”, processing including, but not limited to, disassembling, dismantling and
87 shredding, of covered electronic equipment or their components to recover a useable product;
88 provided, that “recycling” shall not include any process defined as disposal or incineration under
89 applicable laws and regulations.

90 “Retailer”, a person who owns or operates a business that sells covered electronic
91 equipment directly to a consumer, including through sales outlets, catalogs or the publicly
92 available internet, whether or not the seller has a physical presence in the commonwealth.

93 “Reuse”, an operation by which an electronic product or component of an electronic
94 product changes ownership but retains its form and function and is used for the same purpose for
95 which it was originally purchased.

96 “Sell”, “offer for sale” or “sale”, a transfer for consideration of title including, but not
97 limited to, transactions conducted through sales outlets, catalogs or the internet or any other
98 similar electronic means, but shall not include financing or leasing.

99 “Statewide collection goal”, the statewide goal in weight for collecting covered electronic
100 equipment that has reached the end of its useful life, expressed in total pounds.

101 “Statewide collection rate”, the annual number of pounds per capita of covered electronic
102 equipment collected statewide.

103 “Television”, an electronic device that contains a tuner that locks on to a selected carrier
104 frequency and is capable of receiving and displaying of television or video programming via
105 broadcast, cable or satellite, including, but not limited to, any direct view or projection television
106 with a viewable screen of 9 inches or larger whose display technology is based on cathode ray
107 tube , plasma, liquid crystal, digital light processing, liquid crystal on silicon, silicon crystal
108 reflective display, light emitting diode or similar technology marketed and intended for use by a
109 consumer primarily for personal purposes; provided, that “television” shall not include
110 computers.

111 Section 2. (a) The collection and recovery provisions of this chapter shall apply to all
112 covered electronic equipment used and returned by consumers in the commonwealth.

113 (b) This chapter shall not apply to a consumer’s lease of covered electronic equipment or
114 a consumer’s use of covered electronic equipment under a lease agreement or the sale or lease of
115 covered electronics to an entity when the manufacturer and the entity enter into a contract that
116 effectively addresses the collection, recycling and reuse of covered electronic equipment that has
117 reached the end of its useful life.

118 (c) This chapter shall not apply to a manufacturer solely of covered electronic equipment
119 that the department determines are of such a character that the covered electronic equipment
120 would not be used by a consumer. If, however, such a manufacturer also manufactures or
121 manufactured 1 or more covered electronics that are of such character as to be used by a
122 consumer, then this chapter shall apply to the manufacturer for those covered electronic
123 equipment.

124 Section 3. (a) No manufacturer shall sell or offer for sale covered electronic equipment
125 in the commonwealth unless the manufacturer has: (i) adopted and is implementing a collection
126 and recycling plan either individually or in cooperation with other manufacturers and has
127 provided a copy of such plan to the department; (ii) affixed a permanent, readily visible label to
128 the covered electronic equipment with the manufacturer's brand, whether owned or licensed; (iii)
129 paid the annual registration fee; (iv) met its annual manufacturer's collection amount for the
130 previous program year; and (v) paid any underachievement fees due under subsection (j).

131 (b) The collection and recycling plan shall: (i) enable consumers and others to recycle
132 covered electronic equipment without paying a separate fee at the time of recycling for not more
133 than 7 items of covered electronic equipment provided in any single day to 1 collection facility
134 or at 1 collection event; provided, that a fee may be charged under an asset recovery contract;
135 and provided further, that a fee may be charged for "premium services", as defined through
136 regulations promulgated by the department and which shall include, but not be limited to, data
137 security services, data destruction, refurbishment for reuse by the consumer and on-site pickup
138 from a consumer; (ii) be designed to enable a manufacturer to meet its manufacturer's collection
139 amount; (iii) include provisions for the manufacturer's collection from a consumer of any
140 covered electronic equipment that has reached the end of its useful life and is labeled with the

141 manufacturer's brand and recycling or reuse of covered electronic equipment collected under and
142 (iv) include a list of all of the manufacturer's covered electronic equipment brands sold or
143 offered for sale in the commonwealth. The manufacturer shall update its plan as appropriate or if
144 the department notifies such manufacturer that its plan is incomplete or does not otherwise
145 comply with this chapter.

146 (c) (1) The collection of covered electronic equipment provided under the collection
147 and recycling plan shall be reasonably convenient and available to, and designed to meet the
148 collection needs of, consumers in the commonwealth. At a minimum, a collection and recycling
149 plan shall ensure that all counties, and all municipalities which have a population of 50,000 or
150 greater, have at least 1 method of acceptance that is available within such county or municipality.
151 A collection site for a county may be the same as a collection site for a city or town in that
152 county

153 (2) Systems that may be used, alone or together, to meet the convenience requirements
154 of this section shall include, but are not limited to: (i) mail-back systems in which the
155 manufacturer or its designee offers a system in which the consumer can return end-of-life
156 covered electronic equipment through the mail or common-carrier shipment; (ii) physical
157 collection sites where the manufacturer or its designee keeps open and staffed physical collection
158 sites at which the consumer may return end-of-life covered electronic equipment; and (iii
159 collection events where the manufacturer or its designee holds collection events at which
160 consumers may return end-of-life covered electronic equipment.

161 Collection services may also use existing collection and consolidation infrastructure for
162 handling covered electronic equipment and may include electronic recyclers and repair shops,

163 municipal or local government transfer stations, recyclers of other commodities, reuse
164 organizations, not-for-profit corporations, retailers, recyclers and other suitable operations.

165 (d) Each manufacturer shall offer a collection of covered electronic equipment at no
166 charge to consumers, except as otherwise explicitly authorized under this chapter and regulations
167 promulgated under this chapter.

168 (e) Each manufacturer shall, as part of its collection and recycling plan, inform
169 consumers in the commonwealth about how and where to return end-of-life covered electronic
170 equipment. Each manufacturer shall include collection and recycling information on its publicly
171 available internet site; shall provide collection and recycling information to the department; and
172 may include collection and recycling information in the covered electronic equipment's
173 packaging or accompanying its sale.

174 (f) Each manufacturer shall annually file a report with the department, on or before
175 February 28, which includes: (i) the weight of covered electronic equipment collected and
176 recycled during the preceding program year, by computers and televisions; (ii) a determination of
177 whether the manufacturer has met its manufacturer's collection amount, including payment of
178 any underachievement fee and use of any collection credits; (iii) documentation verifying the
179 collection and recycling of the covered electronic equipment in a manner that complies with
180 section 6; (iv) any changes to the manufacturer's collection and recycling plan; (v) an annual
181 registration fee; and (vi) any additional information considered necessary by the department
182 including, but not limited to, sales data reported by weight for the manufacturer's covered
183 electronic equipment sold in the commonwealth for the previous 3 calendar years.

184 (g) For the first 3 program years, the statewide goal for collecting end-of-life covered
185 electronic equipment shall be the product of a statewide collection rate of 6.0 pounds per capita,
186 and the latest population estimate for the commonwealth, as published by the United States
187 Census Bureau. Of the number representing the statewide goal, a total of 45 per cent, shall
188 comprise the statewide collection goal for computers and a total of 55 per cent shall comprise the
189 statewide collection goal for televisions. For subsequent years, if the statewide collection goal
190 for either the computer or television category is higher or lower than the average of the 3
191 previous years of actual collections, then the department may adjust the next year's statewide
192 collection rate and goal for that category, and may also adjust the next year's allocation of the
193 total among computers and televisions. If the department determines that an adjustment in the
194 next year's statewide collection goal is necessary, the following year's statewide collection goal
195 shall be the average weight of covered electronic equipment collected by all manufacturers
196 during the 3 previous program years multiplied by the goal attainment percentage. The new
197 statewide collection goal shall equal any new statewide collection goal for computers plus any
198 new statewide collection goal for televisions. For the purposes of this section, "goal attainment
199 percentage" shall mean: (i) 90 per cent if the average annual total amount collected is less than
200 90 per cent of the previous year's statewide collection goal; (ii) 95 per cent if the average annual
201 total amount collected is equal to or greater than 90 per cent but less than or equal to 95 per cent
202 of the previous year's statewide collection goal; (iii) 100 per cent if the average annual total
203 amount collected is greater than 95 per cent but less than 105 per cent of the previous year's
204 statewide collection goal; (iv) 105 per cent if the average annual total amount collected is equal
205 to or greater than 105 per cent but less than or equal to 110 per cent of the previous year's

206 statewide collection goal; and (v) 110 per cent if the average annual total amount collected is
207 greater than 110 per cent of the previous year's statewide collection goal.

208 (h) Each manufacturer shall annually meet its manufacturer's collection amount for
209 computers by collecting, or by purchasing another manufacturer's excess weight of, computers
210 and associated peripherals. Each manufacturer shall annually meet its manufacturer's collection
211 amount for televisions by collecting, or by purchasing another manufacturer's excess weight of,
212 televisions and associated peripherals

213 To meet its manufacturer's collection amount, manufacturers may collect and include,
214 not only its own brands of covered electronic equipment but also other brands of covered
215 electronic equipment and peripherals associated with the operation of covered electronic
216 equipment, including a keyboard, mouse, DVD player, video game console or any other device
217 that can be used with covered electronic equipment and that provides input or output into or from
218 covered electronic equipment.

219 A manufacturer may utilize any excess weight it obtained or collection credits it banked,
220 under subsection (k).

221 Units that are channeled to reuse shall count as double the weight of those recycled
222 toward a given manufacturer's collection amount.

223 The weight of any covered electronic equipment that is collected by manufacturers from
224 municipalities and transported to reuse and recycle shall be counted as double the actual weight
225 toward the manufacturer's collection amount; provided, that manufacturers shall not charge
226 municipalities for any costs related to collection, transportation or processing of such electronic
227 equipment.

228 (i) Each manufacturer shall pay to the department an annual registration fee which shall
229 be deposited in the Electronics Waste Trust Fund established in section 2GGGG of chapter 29 to
230 be used for administrative costs associated with the department's implementation of this chapter,
231 including the department's public education program under section 5. The annual registration
232 fee shall be based on the manufacturer's market share, within its covered electronics equipment
233 category of computer equipment or televisions, as follows: (i) \$5,000 for manufacturers with a
234 market share equal to or greater than 1 per cent; (ii) \$2,500 for manufacturers with a market
235 share less than 1 per cent but greater than or equal to .10 per cent; or (iii) no fee for
236 manufacturers with a market share less than .10 per cent.

237 (j) If a manufacturer does not meet its annual manufacturer's collection amount, the
238 manufacturer shall pay a fee for underachievement, which shall be deposited in the Electronics
239 Waste Trust Fund established in said section 2GGGG of said chapter 29 to be used for
240 administrative costs associated with the department's implementation of this chapter, as follows:
241 (i) if a manufacturer accepts at least 90 per cent but less than 100 per cent of its manufacturer's
242 collection amount, the underachievement fee shall be \$0.30 multiplied by the number of
243 additional pounds of covered electronic equipment that the manufacturer should have accepted;
244 (ii) if a manufacturer accepts at least 50 per cent but less than 90 per cent of its manufacturer's
245 collection amount, the underachievement fee shall be \$0.40 multiplied by the number of
246 additional pounds of covered electronic equipment that the manufacturer should have accepted;
247 or (iii) if a manufacturer accepts less than 50 per cent of its manufacturer's collection amount,
248 the underachievement fee shall be \$0.50 multiplied by the number of additional pounds of
249 covered electronic equipment that the manufacturer should have accepted.

250 (k) If a manufacturer accepts more than its manufacturer's collection amount in a
251 particular year, the excess weight may be: (i) sold or traded to other manufacturers for use in
252 meeting the other manufacturer's collection amount; provided, however, that such sold or traded
253 amount may be used only to meet the other manufacturer's collection amount for the current year
254 in which the excess was collected; or (ii) banked and used by the manufacturer as collection
255 credits only for its own use; provided, however, that the manufacturer may use such credits only
256 during the 5 years succeeding the year in which the collection credits were earned; provided
257 further, that the manufacturer may meet not more than 25 per cent of its manufacturer's
258 collection amount for any year with collection credits that it generated and banked in a prior
259 year.

260 Section 4. (a) No retailer shall sell or offer for sale covered electronic equipment in the
261 commonwealth unless the covered electronic equipment has a proper manufacturer label,
262 including the manufacturer's brand and name, and such device's manufacturer is included on the
263 department's list of manufacturers that meet the requirements under subsection (a) of section 3.

264 (b) Retailers may go to the department's publicly available internet site and view all
265 manufacturers that are listed as meeting the requirements under subsection (a) of section 3. Only
266 covered electronic equipment from manufacturers on that list may be sold in or into the
267 commonwealth.

268 (c) Retailers shall not be required to collect covered electronic equipment under this
269 chapter.

270 Section 5. (a) The department shall educate consumers about collection and recycling of
271 covered electronic equipment.

272 (b) The department shall host, or designate another person to host, for consumers a
273 publicly available internet site regarding covered electronic equipment collection and recycling,
274 with information about the collection and recycling of covered electronic equipment, including
275 best management practices and information about and links to information on manufacturers'
276 programs and collection and recycling plans, a list of manufacturers who meet the requirements
277 under subsection (a) of section 3 and covered electronic equipment collection events, collection
278 sites and community collection and recycling programs.

279 (c) The department shall compile information from manufacturers, including
280 manufacturers' collection results, develop annual statewide collection goals, set manufacturers'
281 collection amounts and submit an electronic report with this information on the department's
282 website and to the joint committee on environment, natural resources and agriculture not later than
283 April 1 of each year.

284 (d) By March 15 of each year, the department shall notify each manufacturer of its
285 market share and its manufacturer collection amount for that program year.

286 (e) Financial or proprietary information, including sales data, submitted to the department
287 under this chapter shall not be considered a public record under clause Twenty-sixth of section 7
288 of chapter 4 or chapter 66.

289 (f) Except as provided in subsections (i) and (j) of section 3, the department shall not
290 assess any fees, including a collection or recycling fee, on consumers, manufacturers, retailers or
291 others for collection or recycling of covered electronic equipment.

292 (g) The department may adopt such rules and regulations as are necessary to carry out
293 this chapter.

294 Section 6. In meeting their obligations under this chapter, manufacturers shall be
295 responsible for utilizing recyclers that meet or are certified to “Responsible Recycling Practices
296 for Use in Accredited Certification Programs (R2)”, “e-Stewards Standard for Responsible
297 Recycling and Reuse of Electronics” or that meet more robust environmental performance and
298 accountability standards that the department may adopt.

299 Section 7. (a) The department may conduct audits and inspections to determine
300 compliance under this chapter. The department and the attorney general, as appropriate, shall
301 enforce this chapter and take enforcement action against any manufacturer, retailer or person
302 who recycles or reuses computers for failure to comply with this chapter.

303 (b) Any manufacturer who fails to label its covered electronic equipment, adopt and
304 implement a collection and recycling plan, file its annual report, meet its manufacturer’s
305 collection amount, or pay its annual registration fee, may be assessed a penalty of up to \$10,000
306 for the first violation and up to \$25,000 for the second and each subsequent violation, in addition
307 to any other penalty under the law.

308 (c) Except as provided in subsection (b), any person who violates any requirement of this
309 chapter may be assessed a penalty of up to \$1,000 for the first violation and up to \$2,000 for the
310 second and each subsequent violation, in addition to any other penalty under the law.

311 (d) The department shall determine the appropriate penalties under this section, based on
312 adverse impact to the environment, unfair competitive advantage and other considerations as the
313 department considers appropriate.

314 (e) Any violation of the sales prohibitions of this chapter may be enjoined in an action, in
315 the name of the commonwealth, brought by the attorney general.

316 (f) Penalties collected under this chapter shall be deposited in the Electronics Waste Trust
317 Fund established under section 2GGGG of chapter 29 for administration of this program and the
318 department's consumer education effort under this chapter.

319 Section 8. (a) Manufacturers and retailers shall not be liable for information, in any form,
320 that a consumer leaves on covered electronic equipment that is collected or recycled under this
321 chapter.

322 (b) Nothing in this chapter shall exempt any person from liability under other applicable
323 law.

324 Section 9. (a) Any manufacturer that submits a bid for a contract with a state agency for
325 the purchase or lease of covered electronic equipment shall comply with this chapter. A state
326 agency that engages in a contract with a manufacturer shall require such manufacturer to certify
327 compliance with this chapter. Failure to provide such certification shall render the prospective
328 bidder ineligible to bid.

329 (b) In considering bids for state contracts for covered electronic equipment, in addition
330 to any other preferences under the law, the commonwealth shall give special preference to
331 manufacturers who have programs to recover other manufacturers' covered electronic
332 equipment, including, but not limited to, collection events, recycling grants and manufacturer
333 initiatives to take back any covered electronic equipment brand with purchase.

334 (c) The operational services division shall adopt rules and regulations to implement this
335 section.

336 SECTION 2. Chapter 29 of the General Laws is hereby amended by inserting after
337 section 2FFFF the following section:-

338 Section 2GGGG. (a) There is hereby established and set up on the books of the
339 commonwealth a separate fund to be known as the Electronics Waste Trust Fund, hereinafter
340 called the fund. The fund shall be administered by the department of environmental protection.
341 The fund may be expended for the hiring of staff or contractors and for such other purposes as
342 the department of environmental protection considers necessary to administer and enforce
343 chapter 21P.

344 (b) There shall be credited to the fund any fees, penalties and other revenues received
345 under chapter 21P, revenue from appropriations or other monies authorized by the general court
346 and specifically designated to be credited to the fund and any gifts, grants, private contributions
347 and interest or investment earnings on the fund's assets and all other sources.

348 (c) Any unexpended balance in the fund at the end of the fiscal year shall not revert to the
349 General Fund but shall remain available for expenditure in subsequent fiscal years. No
350 expenditure made from the fund shall cause the fund to become deficient at any point.

351 SECTION 3. Clause (iv) of subsection (a) of section 3 of chapter 21P of the General
352 Laws shall take effect on January 1, 2018.

353 SECTION 4. Clause (v) of subsection (a) of section 3 of chapter 21P of the General Laws
354 shall take effect on January 1, 2019.

355 SECTION 5. Manufacturers shall be required to file the annual report required by
356 subsection (f) of section 3 of chapter 21P of the General Laws beginning in the second year of
357 the recycling program.

358 SECTION 6. Subsection (j) of section 3 of chapter 21P of the General Laws shall be
359 effective beginning January 1, 2018.

360 SECTION 7. The department of environmental protection shall be required to compile
361 the electronic report under subsection (c) of section 5 of chapter 21P beginning in the second
362 year of the recycling program.