SF3940 REVISOR CKM S3940-1 1st Engrossment

### SENATE STATE OF MINNESOTA NINETY-THIRD SESSION

S.F. No. 3940

(SENATE AUTHORS: KUPEC, Hauschild, Abeler and Gustafson)

1.1

| ction |
|-------|
|       |

A bill for an act

relating to solid waste; establishing program to collect and recycle electronic waste; 1 2 creating an account; requiring a report; requiring rulemaking; appropriating money; 1.3 amending Minnesota Statutes 2022, sections 115A.1310; 115A.1312; 115A.1314; 1.4 115A.1318; 115A.1320; 115A.1322; 115A.1324; 115A.1326; 115A.1330; 1.5 proposing coding for new law in Minnesota Statutes, chapter 115A; repealing 1.6 Minnesota Statutes 2022, section 115A.1316, subdivisions 1, 2, 3. 1.7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA: 1.8 Section 1. Minnesota Statutes 2022, section 115A.1310, is amended to read: 1.9 115A.1310 DEFINITIONS. 1.10 Subdivision 1. Scope. For the purposes of sections 115A.1310 to 115A.1330, the 1.11 following terms have the meanings given. 1.12 Subd. 2. Cathode-ray tube or CRT. "Cathode-ray tube" or "CRT" means a vacuum 1.13 1.14 tube or picture tube used to convert an electronic signal into a visual image. Subd. 2a. Central processing unit. "Central processing unit" means a computer's main 1.15 1.16 processor that uses electronic circuitry to carry instructions of a computer program to control operations. 1.17 Subd. 2b. Clearinghouse. "Clearinghouse" means an organization that is under contract 1.18 to the agency to develop, finance, and operate a plan to collect, transport, and recycle covered 1.19 1.20 electronic devices that is approved by the agency under section 115A.1311, subdivision 5. Subd. 3. Collection. "Collection" means the aggregation of covered electronic devices 1.21 from households covered entities and includes all the activities up to the time conducted 1.22 prior to the delivery of the covered electronic devices are delivered to a recycler. 1.23

Section 1.

| SF3940  | REVISOR  | CKM    | S3940-1 | 1st Engrossment   |
|---------|----------|--------|---------|-------------------|
| 51 3740 | KL VISOK | CIXIVI | 55740-1 | 1st Liigiossinein |

| 2.1  | Subd. 3a. Collection site. "Collection site" means a temporary or permanent site at which     |
|------|---|
| 2.2  | collection of covered electronic devices takes place.   |
| 2.3  | Subd. 4. Collector. "Collector" means a public or private entity that receives covered        |
| 2.4  | electronic devices from households covered entities and arranges for the delivery of the      |
| 2.5  | devices to a recycler.  |
| 2.6  | Subd. 5. Computer. "Computer" means an electronic, magnetic, optical, electrochemical         |
| 2.7  | or other high-speed data processing device performing logical, arithmetic, or storage         |
| 2.8  | functions, but does not include an automated typewriter or typesetter, a portable handheld    |
| 2.9  | calculator or device, or other similar device.  |
| 2.10 | Subd. 6. Computer monitor. "Computer monitor" means an electronic device that is a            |
| 2.11 | cathode-ray tube or flat panel display primarily intended to display information from a       |
| 2.12 | central processing unit or the Internet.  |
| 2.13 | Subd. 7. Covered electronic device. (a) "Covered electronic device" means emputers.           |
| 2.14 | including tablet computers and laptop computers, peripherals, facsimile machines, DVD         |
| 2.15 | players, video cassette recorders, and video display devices that are a television, computer, |
| 2.16 | including a tablet or laptop computer, a computer monitor, peripheral, facsimile machine,     |
| 2.17 | or gaming console sold to a household by means of retail, wholesale, or electronic commerce   |
| 2.18 | covered entity.   |
| 2.19 | (b) "Covered electronic device" does not include:   |
| 2.20 | (1) a motor vehicle or any part thereof;  |
| 2.21 | (2) a camera or video camera;   |
| 2.22 | (3) a portable or stationary radio;   |
| 2.23 | (4) a telephone of any type;  |
| 2.24 | (5) a household appliance, including but not limited to a clothes washer, clothes dryer,      |
| 2.25 | water heater, refrigerator, freezer, microwave oven, oven, range, or dishwasher;              |
| 2.26 | (6) equipment that is functionally or physically part of a larger piece of equipment          |
| 2.27 | intended for use in an industrial, research and development, or commercial setting;           |
| 2.28 | (7) security or antiterrorism equipment;  |
| 2.29 | (8) a monitoring and control instrument or system;  |
| 2.30 | (9) a thermostat;   |
| 2.31 | (10) a handheld transceiver;  |

Section 1. 2

| 3.1  | (11) a portable digital assistant or similar device;  |
|------|---|
| 3.2  | (12) a calculator;  |
| 3.3  | (13) a global positioning system receiver or similar navigation device;                           |
| 3.4  | (14) commercial medical equipment that contains a cathode ray tube, a cathode ray tube            |
| 3.5  | device, a flat panel display, or similar video display that is not separate from the larger piece |
| 3.6  | of equipment;   |
| 3.7  | (15) an unmanned aerial vehicle, as defined in section 243.552, subdivision 1; or                 |
| 3.8  | (16) other medical devices, as the term "device" is defined under United States Code,             |
| 3.9  | title 21, section 321, paragraph (h), of the Federal Food, Drug, and Cosmetic Act, as amended.    |
| 3.10 | Subd. 7a. Covered entity. "Covered entity" means a household or a business with fewer             |
| 3.11 | than ten employees located in this state.   |
| 3.12 | Subd. 8. Department Downstream recycling operations. "Department" means the                       |
| 3.13 | Department of Revenue. "Downstream recycling operations" means additional recycling               |
| 3.14 | operations conducted on partially recycled covered electronic devices by a recycler different     |
| 3.15 | from the recycler to whom a collector originally sends electronic waste.                          |
| 3.16 | Subd. 9. <b>Dwelling unit.</b> "Dwelling unit" has the meaning given in section 238.02,           |
| 3.17 | subdivision 21a.  |
| 3.18 | Subd. 9a. Electronic Product Environmental Assessment Tool (EPEAT). "Electronic                   |
| 3.19 | Product Environmental Assessment Tool (EPEAT)" means a Type I environmental label                 |
| 3.20 | managed by the Global Electronics Council that registers electronics products that meet           |
| 3.21 | lifecycle environmental and social criteria established by the Global Electronics Council.        |
| 3.22 | Subd. 9b. Electronics recyclables. "Electronics recyclables" has the meaning given in             |
| 3.23 | section 115A.1331.  |
| 3.24 | Subd. 9c. Gaming console. "Gaming console" means a computer system designed for                   |
| 3.25 | interactive video gameplay and display.   |
| 3.26 | Subd. 10. Household. "Household" means an occupant of a single detached dwelling                  |
| 3.27 | unit or a single unit of a multiple dwelling unit located in this state who has used a video      |
| 3.28 | display covered electronic device at a dwelling unit primarily for personal use.                  |
| 3.29 | Subd. 11. <b>Manufacturer.</b> (a) "Manufacturer" means a person who:                             |
| 3.30 | (1) manufactures video display or has manufactured covered electronic devices to be               |
| 3.31 | sold under its own brand as identified by its own brand label; or                                 |
|      |   |

CKM

S3940-1

1st Engrossment

REVISOR

Section 1. 3

SF3940

(2) sells video display or has sold covered electronic devices manufactured by others 4.1 under its own brand as identified by its own brand label-; 4.2 (3) owns or has owned a brand name that it licenses or has licensed to another person 4.3 for use on a covered electronic device sold in this state; 4.4 4.5 (4) imports or has imported into the United States for sale in this state a covered electronic device manufactured outside the United States; 4.6 (5) manufactures or has manufactured covered electronic devices for sale in this state 4.7 without affixing a brand name to them; or 4.8 (6) notifies the agency that the person is assuming the responsibilities, obligations, and 4.9 liabilities of a manufacturer by conducting one or more of the activities in clauses (1) to 4.10 4.11 <u>(5).</u> (b) "Manufacturer" does not include a person who manufactures computer peripherals 4.12 or facsimile machines unless the person also manufactures computers, computer monitors, 4.13 gaming consoles, or televisions. 4.14 Subd. 11a. Market share. "Market share" means the proportion, by weight, of covered 4.15 electronic devices sold by a manufacturer to a covered entity in Minnesota in a given program 4.16 year, as determined by the agency. 4.17 Subd. 12. **Peripheral.** "Peripheral" means a keyboard, printer, video cassette recorder, 4.18 DVD player, or any other device sold exclusively for external use with a computer or 4.19 television that provides input into or output into or from a computer or television. A gaming 4.20 console is not a peripheral. 4.21 Subd. 12a. Phase I recycling credits. "Phase I recycling credits" means the number of 4.22 pounds of covered electronic devices recycled by a manufacturer from households during 4.23 program years one through nine, less the product of the number of pounds of video display 4.24 devices sold to households during the same program year, multiplied by the proportion of 4.25 sales a manufacturer is required to recycle. 4.26 4.27 Subd. 12b. Phase II recycling credits. "Phase II recycling credits" means an amount calculated in a program year beginning July 1, 2019, and in each program year thereafter 4.28 ending June 30, 2024, according to the formula (1.5 x A) - (B - C), where: 4.29 A = the number of pounds of covered electronic devices a manufacturer recycled or 4.30 arranged to have collected and recycled during a program year from households located 4.31 outside the 11-county metropolitan area, as defined in section 115A.1314, subdivision 2 4.32

Section 1. 4

| 5.1  | counties of Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Sherburne,               |
|------|---|
| 5.2  | Washington, and Wright;   |
| 5.3  | B = the manufacturer's recycling obligation calculated for the same program year in                   |
| 5.4  | section 115A.1320, subdivision 1, paragraph (g); and  |
| 5.5  | C = the number of pounds of covered electronic devices a manufacturer recycled or                     |
| 5.6  | arranged to have collected and recycled, up to but not exceeding B, during the same program           |
| 5.7  | year from households in the 11-county metropolitan area 11 counties identified in this                |
| 5.8  | subdivision.  |
| 5.9  | Subd. 12c. Portable battery. "Portable battery" means a rechargeable battery as defined               |
| 5.10 | in section 115A.9157.   |
| 5.11 | Subd. 12d. Plan. "Plan" means a plan to develop, finance, and operate a program to                    |
| 5.12 | collect, transport, and recycle covered electronic devices in this state on behalf of                 |
| 5.13 | manufacturers.  |
| 5.14 | Subd. 13. <b>Program year.</b> "Program year" means the period from <del>July</del> January 1 through |
| 5.15 | June 30 December 31.  |
| 5.16 | Subd. 14. <b>Recycler.</b> "Recycler" means a public or private individual or entity who accepts      |
| 5.17 | covered electronic devices from households and collectors for the purpose of recycling. A             |
| 5.18 | manufacturer who takes products for refurbishment or repair is not a recycler person engaged          |
| 5.19 | in recycling covered electronic devices under a plan approved by the agency under section             |
| 5.20 | 115A.1311, subdivision 5, whose recycling operations are certified as meeting an                      |
| 5.21 | environmentally sound management standard by a certification body accredited by the                   |
| 5.22 | American National Standards Institute-American Society for Quality.                                   |
| 5.23 | Subd. 15. <b>Recycling.</b> (a) "Recycling" means the process of <del>collecting and preparing</del>  |
| 5.24 | video display devices or:   |
| 5.25 | (1) disassembling, dismantling, or shredding covered electronic devices for use in                    |
| 5.26 | manufacturing processes or for recovery of usable materials followed by delivery of in order          |
| 5.27 | to recover certain materials; or  |
| 5.28 | (2) salvaging components of covered electronic devices for use in new products; and                   |
| 5.29 | (3) delivering such materials or components for <u>further processing or use</u> .                    |
| 5.30 | (b) Recycling does not include:   |
| 5.31 | (1) the destruction by incineration or other process or land disposal of recyclable materials         |

CKM

S3940-1

1st Engrossment

SF3940

REVISOR

Section 1. 5

nor retrieved from covered electronic devices;

5.32

|      | SF3940                    | REVISOR                          | CKM                       | S3940-1                             | 1st Engrossment                 |
|------|---------------------------|----------------------------------|---------------------------|-------------------------------------|---------------------------------|
| 6.1  | <u>(2)</u> reuse,         | <u>2</u>                         |                           |                                     |                                 |
| 6.2  | <u>(3)</u> repair         | <u>;;</u> or                     |                           |                                     |                                 |
| 6.3  | (4) any ot                | her process through              | which video dis           | <del>splay devices or</del> covered | d electronic devices            |
| 6.4  | are <del>returned t</del> | to use for household             | ls enabled to be          | reused in their original            | form.                           |
| 6.5  | Subd. 16.                 | Reuse. "Reuse" me                | eans:                     |                                     |                                 |
| 6.6  | (1) the rep               | oair, refurbishment,             | or enhancement            | of a covered electronic             | device that enables             |
| 6.7  | it to be offere           | ed for sale for the sa           | me purpose for            | which it was originally             | manufactured; or                |
| 6.8  | (2) the off               | ering for sale of a di           | scarded covered           | l electronic device or an           | y of its components             |
| 6.9  | that have not             | undergone repair, r              | efurbishment, c           | or enhancement.                     |                                 |
| 6.10 | Subd. 17.                 | Retailer. "Retailer'             | " means a perso           | n who sells, rents, or le           | ases, through sales             |
| 6.11 | outlets, catalo           | ogs, or the Internet 1           | but not for resal         | e in any form, a <del>video c</del> | <del>lisplay</del> covered      |
| 6.12 | electronic de             | vice to a <del>household</del>   | and not for resa          | nle in any form covered             | entity.                         |
| 6.13 | Subd. 18.                 | Sell or sale. "Sell"             | or "sale" means           | s any transfer for consid           | deration of title or            |
| 6.14 | of the right to           | use, by lease or sa              | les contract, inc         | luding, but not limited             | to, transactions                |
| 6.15 | conducted the             | rough sales outlets,             | catalogs, or the          | Internet, or any other s            | imilar electronic               |
| 6.16 | means either              | inside or outside of             | the state, by a           | person who conducts th              | e transaction and               |
| 6.17 | controls the d            | lelivery of a <del>video d</del> | isplay covered e          | electronic device to a co           | nsumer in the state,            |
| 6.18 | but does not i            | nclude a manufactui              | rer's or distribut        | or's wholesale transaction          | on with a distributor           |
| 6.19 | or a retailer.            |                                  |                           |                                     |                                 |
| 6.20 | Subd. 19.                 | Television. "Televi              | sion" means <del>an</del> | electronic device that is           | ⊦a cathode-ray tube             |
| 6.21 | or flat panel o           | <del>lisplay primarily int</del> | tended to receiv          | <del>e video programming v</del>    | <del>ia broadcast, cable,</del> |
| 6.22 | or satellite tra          | <del>ansmission or video</del>   | from surveilla            | nce or other similar cam            | <del>neras</del> any            |
| 6.23 | telecommuni               | cations system or de             | evice containing          | ga cathode-ray tube or o            | ther type of display            |
| 6.24 | system with a             | a viewable area grea             | ater than four in         | ches when measured di               | agonally that can               |
| 6.25 | broadcast or 1            | receive moving pict              | ures and sound            | over a distance, includin           | g a television tuner            |
| 6.26 | or display de             | vice peripheral to a             | computer that c           | contains a television tun           | <u>ier</u> .                    |
| 6.27 | Subd. 20.                 | Video display devi               | ice. "Video disp          | lay device" means a tele            | evision or computer             |
| 6.28 | monitor that              | contains a cathode-1             | ray tube or a fla         | t panel screen that is m            | arketed by                      |
| 6.29 | manufacture               | s for use by househ              | olds. Video dis           | play device does not inc            | clude any of the                |
| 6.30 | following:                |                                  |                           |                                     |                                 |
| 6.31 | (1) a vide                | o display device that            | at is part of a mo        | otor vehicle or any com             | ponent part of a                |
| 6.32 | motor vehicle             | e assembled by, or f             | for, a vehicle ma         | anufacturer or franchise            | d dealer, including             |
| 6.33 | replacement               | parts for use in a mo            | otor vehicle;             |                                     |                                 |

Section 1. 6

|   | physically part of a larger piece of equipment or is designed and intended for use in an  |
|---|---|
|   | industrial; commercial, including retail; library checkout; traffic control; kiosk; security,   |
|   | other than household security; border control; or medical setting, including diagnostic,  |
|   | monitoring, or control equipment;   |
|   | (3) a video display device that is contained within a clothes washer, clothes dryer,  |
|   | refrigerator, refrigerator and freezer, microwave oven, conventional oven or range,   |
|   | dishwasher, room air conditioner, dehumidifier, or air purifier; or   |
|   | (4) a telephone of any type.  |
|   | Subd. 21. Transition year. "Transition year" means the period from July 1, 2025, to   |
|   | December 31, 2026.  |
|   | Subd. 22. <b>Type I environmental label.</b> "Type I environmental label" means a label   |
|   | awarded to a product that meets the eligibility requirements established by the American  |
|   | National Standards Institute National Accreditation Board with respect to environmental   |
|   | standards and performance.  |
|   | Sec. 2. [115A.1311] COVERED ELECTRONIC DEVICE RECYCLING; REQUIRED PLAN.   |
|   | Sec. 2. [115A.1311] COVERED ELECTRONIC DEVICE RECYCLING; REQUIRED PLAN.   |
|   |   |
| ٠ | PLAN.  Subdivision 1. Participation required to sell. (a) On and after January 1, 2027, no  |
|   | PLAN.  Subdivision 1. Participation required to sell. (a) On and after January 1, 2027, no manufacturer required to pay a registration fee under section 115A.1314 may sell or offer  |
|   | Subdivision 1. Participation required to sell. (a) On and after January 1, 2027, no manufacturer required to pay a registration fee under section 115A.1314 may sell or offer for sale in this state a covered electronic device unless the manufacturer of the covered   |
|   | Subdivision 1. Participation required to sell. (a) On and after January 1, 2027, no manufacturer required to pay a registration fee under section 115A.1314 may sell or offer for sale in this state a covered electronic device unless the manufacturer of the covered   |
|   | Subdivision 1. Participation required to sell. (a) On and after January 1, 2027, no manufacturer required to pay a registration fee under section 115A.1314 may sell or offer for sale in this state a covered electronic device unless the manufacturer of the covered electronic device participates in a plan approved by the agency.  (b) On and after January 1, 2027, no retailer may sell or offer for sale in this state a  |
|   | Subdivision 1. Participation required to sell. (a) On and after January 1, 2027, no manufacturer required to pay a registration fee under section 115A.1314 may sell or offer for sale in this state a covered electronic device unless the manufacturer of the covered electronic device participates in a plan approved by the agency.  (b) On and after January 1, 2027, no retailer may sell or offer for sale in this state a covered electronic device unless the retailer determines that the manufacturer of the covered  |
|   | Subdivision 1. Participation required to sell. (a) On and after January 1, 2027, no manufacturer required to pay a registration fee under section 115A.1314 may sell or offer for sale in this state a covered electronic device unless the manufacturer of the covered electronic device participates in a plan approved by the agency.  (b) On and after January 1, 2027, no retailer may sell or offer for sale in this state a covered electronic device unless the retailer determines that the manufacturer of the covered  |
|   | Subdivision 1. Participation required to sell. (a) On and after January 1, 2027, no manufacturer required to pay a registration fee under section 115A.1314 may sell or offer for sale in this state a covered electronic device unless the manufacturer of the covered electronic device participates in a plan approved by the agency.  (b) On and after January 1, 2027, no retailer may sell or offer for sale in this state a covered electronic device unless the retailer determines that the manufacturer of the covered electronic device is in compliance with paragraph (a).  Subd. 2. Plan required. On or before January 1, 2027, or before first offering a covered   |
|   | Subdivision 1. Participation required to sell. (a) On and after January 1, 2027, no manufacturer required to pay a registration fee under section 115A.1314 may sell or offer for sale in this state a covered electronic device unless the manufacturer of the covered electronic device participates in a plan approved by the agency.  (b) On and after January 1, 2027, no retailer may sell or offer for sale in this state a covered electronic device unless the retailer determines that the manufacturer of the covered electronic device is in compliance with paragraph (a).  Subd. 2. Plan required. On or before January 1, 2027, or before first offering a covered electronic device for sale in this state, a manufacturer must enter into an agreement with  |
|   | PLAN.  Subdivision 1. Participation required to sell. (a) On and after January 1, 2027, no manufacturer required to pay a registration fee under section 115A.1314 may sell or offer for sale in this state a covered electronic device unless the manufacturer of the covered electronic device participates in a plan approved by the agency.  (b) On and after January 1, 2027, no retailer may sell or offer for sale in this state a covered electronic device unless the retailer determines that the manufacturer of the covered electronic device is in compliance with paragraph (a).  |
|   | PLAN.  Subdivision 1. Participation required to sell. (a) On and after January 1, 2027, no manufacturer required to pay a registration fee under section 115A.1314 may sell or offer for sale in this state a covered electronic device unless the manufacturer of the covered electronic device participates in a plan approved by the agency.  (b) On and after January 1, 2027, no retailer may sell or offer for sale in this state a covered electronic device unless the retailer determines that the manufacturer of the covered electronic device is in compliance with paragraph (a).  Subd. 2. Plan required. On or before January 1, 2027, or before first offering a covered electronic device for sale in this state, a manufacturer must enter into an agreement with the clearinghouse to operate under a plan.  |
|   | PLAN.  Subdivision 1. Participation required to sell. (a) On and after January 1, 2027, no manufacturer required to pay a registration fee under section 115A.1314 may sell or offer for sale in this state a covered electronic device unless the manufacturer of the covered electronic device participates in a plan approved by the agency.  (b) On and after January 1, 2027, no retailer may sell or offer for sale in this state a covered electronic device unless the retailer determines that the manufacturer of the covered electronic device is in compliance with paragraph (a).  Subd. 2. Plan required. On or before January 1, 2027, or before first offering a covered electronic device for sale in this state, a manufacturer must enter into an agreement with the clearinghouse to operate under a plan.  Subd. 3. Plan; content. The agency may not approve a plan unless it contains, at a                                  |
|   | Subdivision 1. Participation required to sell. (a) On and after January 1, 2027, no manufacturer required to pay a registration fee under section 115A.1314 may sell or offer for sale in this state a covered electronic device unless the manufacturer of the covered electronic device participates in a plan approved by the agency.  (b) On and after January 1, 2027, no retailer may sell or offer for sale in this state a covered electronic device unless the retailer determines that the manufacturer of the covered electronic device is in compliance with paragraph (a).  Subd. 2. Plan required. On or before January 1, 2027, or before first offering a covered electronic device for sale in this state, a manufacturer must enter into an agreement with the clearinghouse to operate under a plan.  Subd. 3. Plan; content. The agency may not approve a plan unless it contains, at a minimum, all of the following elements: |

| 8.1  | (3) the provision of sufficient permanent collection sites so that at least 90 percent of         |
|------|---|
| 8.2  | the state population resides within a 15-mile radius of a permanent collection site;              |
| 8.3  | (4) in addition to complying with the requirement of clause (3), the establishment of one         |
| 8.4  | additional permanent collection site in each unique geographical area that contains 30,000        |
| 8.5  | or more residents within a 15-mile radius of the collection site;                                 |
| 8.6  | (5) a description of additional activities, including temporary collection sites and              |
| 8.7  | collection events, that will be employed to collect covered electronic devices;                   |
| 8.8  | (6) a requirement that each recycler under contract to a manufacturer operating under             |
| 8.9  | the plan is certified by a third-party organization that has been accredited by the American      |
| 8.10 | National Standards Institute's National Accreditation Board as operating under an                 |
| 8.11 | environmentally sound management standard;  |
| 8.12 | (7) requirements that collection sites:   |
| 8.13 | (i) accept all covered electronic devices received from covered entities at no cost; and          |
| 8.14 | (ii) be staffed and open during hours convenient to the public and sufficient to meet the         |
| 8.15 | needs of the area served;   |
| 8.16 | (8) contact information for each manufacturer participating in the plan, and the brands           |
| 8.17 | of covered electronic devices sold in this state by each manufacturer;                            |
| 8.18 | (9) a description of the methods by which discarded covered electronic devices will be            |
| 8.19 | collected in all areas in the state without relying on end-of-life fees, including an explanation |
| 8.20 | of how the collection system will be convenient and adequate to serve the needs of covered        |
| 8.21 | entities in both urban and rural areas on an ongoing basis, and a discussion of how existing      |
| 8.22 | solid waste facilities and household hazardous waste infrastructure will be included when         |
| 8.23 | establishing collection sites;  |
| 8.24 | (10) establish a schedule under which collectors, transporters, and recyclers are to be           |
| 8.25 | reimbursed;   |
| 8.26 | (11) measures to ensure that collectors are compensated fairly for collecting, storing,           |
| 8.27 | and managing covered electronic devices;  |
| 8.28 | (12) a requirement that each political subdivision that operates a collection site within         |
| 8.29 | the area in which covered electronic devices are collected under the plan:                        |
| 8.30 | (i) is offered the option to participate under the plan; and                                      |

9.1

9.2

9.3

9.4

9.5

9.6

9.7

9.8

9.9

9.10

9.11

9.12

9.13

9.14

9.15

9.16

9.17

9.18

9.19

9.20

9.21

9.22

9.23

9.24

9.25

9.26

9.27

9.28

9.29

9.30

must be based on:

9.31 <u>annually; and</u>

(i) the estimated amount of covered electronic devices disposed of annually;

(ii) the most recent data on covered electronic devices collected in this state;

(iii) the weight of covered electronic devices expected to be available for collection

(iv) actual collection data from existing electronic waste collection and recycling 10.1 10.2 programs operating in other jurisdictions. 10.3 The plan must state the methodology used to determine the operational goals; and 10.4 (21) a discussion of the status of end markets for materials recovered from recycled 10.5 covered electronic devices and what, if any, additional end markets are needed to improve the functioning of the program. 10.6 10.7 Subd. 4. Mail-back option; content. A clearinghouse may, as part of a plan submitted to the agency for approval under this section, offer covered entities an option to mail back 10.8 to the manufacturer, at no cost to a covered entity, a discarded covered electronic device 10.9 manufactured by the manufacturer. A mail-back plan must: 10.10 (1) allow a covered entity to access and print a prepaid shipping label from the 10.11 manufacturer's Internet website that may be affixed to a package containing the discarded 10.12 covered electronic device for shipping by a carrier selected by the manufacturer; and 10.13 10.14 (2) meet the requirements of subdivision 3, clauses (2), (6), (8), and (13) to (19). Subd. 5. Plan approval process; administration. (a) Within 15 days of receipt of a 10.15 plan submitted for review, the agency shall post the plan on its website for public review. 10.16 Written comments on the plan by the public must be filed with the agency no later than 45 10.17 days after the plan is posted. 10.18 (b) Within 90 days of receipt of a plan submitted for review, the agency shall approve, 10.19 reject, or modify the plan, and shall notify the plan's applicants of its action in writing, 10.20 including the reasons for its decision, within 15 days of the decision. Applicants whose plan 10.21 is rejected by the agency must submit a revised plan to the agency within 60 days of receiving 10.22 a notice of rejection. If the revised plan does not meet the requirements of this section, as 10.23 10.24 determined by the commissioner, the commissioner shall modify the revised plan accordingly, 10.25 and shall approve the revised plan. (c) No manufacturer may operate under a plan that has not been approved by the agency. 10.26 10.27 Any modifications to an approved plan proposed by a clearinghouse must be reviewed by the agency according to this subdivision. 10.28 (d) No later than 90 days before the fifth anniversary of a plan's approval, the plan, with 10.29 or without revisions, must be resubmitted to the agency for review and approval under the 10.30 process established in this subdivision. 10.31 (e) The agency may not approve a plan that the agency determines does not meet the 10.32 requirements of subdivision 3. 10.33

Subd. 6. Implementation deficiencies; correction process. (a) If at any time the 11.1 commissioner determines that an approved plan is not being implemented in an efficient 11.2 11.3 and effective manner, the commissioner shall provide in writing to the clearinghouse and to each manufacturer participating in the plan an assessment of the deficiencies and 11.4 recommendations for improvement. Within 30 days of receipt of the assessment, the 11.5 clearinghouse must respond in writing to the commissioner, indicating the changes that will 11.6 be implemented to address the deficiencies noted in the assessment. 11.7 11.8 (b) No later than 90 days after submitting a response under paragraph (a), the clearinghouse must submit to the commissioner in writing information documenting the 11.9 changes that were implemented to address the deficiencies noted in the assessment and any 11.10 information regarding the effect of the implemented changes on program operations. 11.11 (c) If the commissioner determines that the changes implemented are insufficient to 11.12 address the deficiencies, the commissioner, after providing written notice to the clearinghouse 11.13 and to each manufacturer participating in the plan, may: 11.14 (1) require the manufacturers participating in the plan to select another clearinghouse 11.15 to implement the plan; or 11.16 (2) contract with a third party to implement and administer the plan. In contracting for 11.17 implementation and administration of the plan, the commissioner shall review the costs 11.18 incurred by similar electronic waste collection and recycling programs in other states. The 11.19 commissioner may modify the plan if bids received in response to a request for proposal 11.20 exceed the average cost of collection and recycling incurred by similar electronic waste 11.21 collection and recycling programs in other states. Manufacturers participating in a plan must 11.22 pay the full administrative and implementation costs of the clearinghouse under any option 11.23 11.24 provided in this paragraph. 11.25 Sec. 3. Minnesota Statutes 2022, section 115A.1312, is amended to read: 115A.1312 REGISTRATION PROGRAM. 11.26 Subdivision 1. Requirements for sale. (a) On or after September 1, 2007 January 1, 11.27 2027, a manufacturer must not sell or offer for sale or deliver to retailers for subsequent 11.28 sale a new video display covered electronic device unless: 11.29 (1) the video display covered electronic device is labeled with the manufacturer's brand, 11.30 which label is permanently affixed and readily visible; and 11.31 (2) the manufacturer has filed a registration with the agency, as specified in subdivision 11.32

Sec. 3.

2.

11.33

| 12.1  | (b) A retailer must not sell, offer for sale, rent, or lease a video display device unless        |
|-------|---|
| 12.2  | the video display device is labeled according to this subdivision and listed as registered on     |
| 12.3  | the agency website according to subdivision 2.  |
| 12.4  | (e) A retailer is not responsible for an unlawful sale under this subdivision if the              |
| 12.5  | manufacturer's registration expired or was revoked and the retailer took possession of the        |
| 12.6  | video display device prior to the expiration or revocation of the manufacturer's registration     |
| 12.7  | and the unlawful sale occurred within six months after the expiration or revocation.              |
| 12.8  | Subd. 2. Manufacturer registration. (a) By August October 15 each year, a manufacturer            |
| 12.9  | of video display covered electronic devices sold or offered for sale to households covered        |
| 12.10 | entities in the this state must submit a registration to the agency on a form prescribed by       |
| 12.11 | the commissioner that includes:   |
| 12.12 | (1) a list of the manufacturer's brands of video display covered electronic devices offered       |
| 12.13 | for sale in this state;   |
| 12.14 | (2) the name, address, and contact information of a person responsible for ensuring               |
| 12.15 | compliance with this chapter; and   |
| 12.16 | (3) a certification that the manufacturer has complied and will continue to comply with           |
| 12.17 | the requirements of sections 115A.1312 to 115A.1318 will operate under the plan approved          |
| 12.18 | by the agency.  |
| 12.19 | (b) A manufacturer of video display devices sold or offered for sale to a household must          |
| 12.20 | include in the registration submitted under paragraph (a), a statement disclosing whether:        |
| 12.21 | (1) any video display devices sold to households exceed may not sell a covered electronic         |
| 12.22 | device in this state that exceeds the maximum concentration values established for lead,          |
| 12.23 | mercury, cadmium, hexavalent chromium, polybrominated biphenyls (PBB's), and                      |
| 12.24 | polybrominated diphenyl ethers (PBDE's) under the RoHS (restricting the use of certain            |
| 12.25 | hazardous substances in electrical and electronic equipment) Directive 2002/95/EC of the          |
| 12.26 | European Parliament and Council and any amendments thereto; or                                    |
| 12.27 | (2) unless the manufacturer has received an exemption from one or more of those                   |
| 12.28 | maximum concentration values under the RoHS Directive that has been approved and                  |
| 12.29 | published by the European Commission by the agency.   |
| 12.30 | (c) A manufacturer who begins to sell or offer for sale video display devices to households       |
| 12.31 | after August 15, 2016, and has not filed a registration under this subdivision must submit        |
| 12.32 | a registration to the agency within ten days of beginning to sell or offer for sale video display |

Sec. 3. 12

12.33

covered electronic devices to households covered entities.

13.1

13.2

13.3

13.4

13.5

13.6

13.7

13.8

13.9

13.10

13.11

13.12

13.13

13.14

13.15

13.16

13.17

13.18

13.19

13.20

13.21

13.22

13.23

13.24

13.25

13.26

13.27

13.28

13.29

13.30

13.31

13.32

13.33

13.34

- (d) A <u>registration manufacturer</u> must <u>be updated file an updated registration with the agency</u> within ten days after a change in the manufacturer's brands of <u>video display covered electronic</u> devices sold or offered for sale to <u>households covered entities</u>.
- (e) A registration is effective upon receipt by the agency and is valid until <u>August October</u> 15 each year.
- (f) The agency must review each registration and notify the manufacturer of any information required by this section that is omitted from the registration. Within 30 days of receipt of a notification from the agency, the manufacturer must submit a revised registration providing the information noted by the agency.
- (g) The agency must maintain on its website the names of manufacturers and the manufacturers' brands listed in registrations filed with the agency. The agency must update the website information promptly upon receipt of a new or updated registration. The website must contain prominent language stating, in effect, that:
- (1) sections 115A.1310 to 115A.1330 are directed at household equipment apply only to covered electronic devices sold to covered entities; and
- (2) the manufacturers' brands list is, therefore, not a list of manufacturers qualified to sell to industrial, commercial, or other markets identified as exempt from the requirements of sections 115A.1310 to 115A.1330.
- Subd. 3. Collector registration. No person may operate as a collector of covered electronic devices or electronics recyclables from households covered entities unless that person has submitted a registration with the agency by July January 15 each year on a form prescribed by the commissioner. Registration information must include the name, address, telephone number, and location of the business and a certification that the collector has complied and will continue to comply with the requirements of sections 115A.1312 to 115A.1318, and 115A.1331 to 115A.1337, as applicable, and any regulations adopted by a local government unit for that apply to the jurisdiction in which the collector operates. A collector must indicate any end-of-life fees that will be charged at the collection point. A registration is effective upon receipt by the agency and is valid until July January 15 each year. A collector may submit a single registration under this subdivision to collect covered electronic devices, electronics recyclables, or both.
- Subd. 4. **Recycler registration.** No person may recycle <u>video display covered electronic</u> devices <u>or electronics recyclables generated</u> by <u>households covered entities</u> unless that person has submitted a registration with the agency by <u>July October</u> 15 each year on a form prescribed by the commissioner. Registration information must include the name, address,

Sec. 3.

telephone number, and location of all recycling facilities under the direct control of the 14.1 recycler that may receive covered electronic devices or electronics recyclables from 14.2 households covered entities and a certification that the recycler has complied and will 14.3 continue to comply with the requirements of sections 115A.1312 to 115A.1318 115A.1337, 14.4 as applicable. A registered recycler must conduct recycling activities that are consistent 14.5 with this chapter. A registration is effective upon receipt by the agency and is valid until 14.6 July October 15 each year. A recycler may submit a single registration under this subdivision 14.7 to recycle covered electronic devices, electronics recyclables, or both. 14.8 Subd. 5. **Dual registration.** A person conducting both collection and recycling activities 14.9 may register under both subdivisions 3 and 4. 14.10 14.11 Subd. 6. **Denial of registration.** The agency may deny a registration under subdivision 3 or 4 if the collector or recycler, or an employee or officer of the collector or recycler, has, 14.12 as determined by the commissioner, a history of: 14.13 (1) repeated violations of federal, state, or local laws, regulations, standards, or ordinances 14.14 related to the collection, recycling, or other management of electronics recyclables; 14.15 (2) gross carelessness or incompetence in handling, storing, processing, transporting, 14.16 disposing of, or otherwise managing electronics recyclables, as determined by the agency; 14.17 14.18 or (3) conviction of a felony in a federal or state court for forgery, official misconduct, 14.19 bribery, perjury, or knowingly submitting false information under any environmental law, 14.20 regulation, or permit. 14.21 Sec. 4. Minnesota Statutes 2022, section 115A.1314, is amended to read: 14.22 115A.1314 MANUFACTURER REGISTRATION FEE FEES. 14.23 Subdivision 1. Registration fee. (a) Each manufacturer who registers under section 14.24 115A.1312 must, by August October 15 each year, pay to the commissioner of revenue an 14.25 annual registration fee, on a form and in a manner prescribed by the commissioner of 14.26 revenue. The commissioner of revenue must deposit the fee in the state treasury and credit 14.27 the fee to the electronic waste collection and recycling account in the environmental fund. 14.28 (b) For the transition year, the registration fee for manufacturers that sell 100 or more 14.29 video display devices to households in the state during the previous calendar year a 14.30 manufacturer is \$2,500, plus a variable recycling fee. The registration fee for manufacturers 14.31 14.32 that sell fewer than 100 video display devices in the state during the previous calendar year is a variable recycling fee. The variable recycling fee is calculated according to the formula: 14.33

Sec. 4. 14

SF3940 REVISOR CKM S3940-1

15.1  $[A - (B + C)] \times D$ , where:

15.2

15.3

15.4

15.5

15.6

15.7

15.8

15.9

15.10

15.11

15.12

15.13

15.14

15.15

15.16

15.17

15.18

15.19

15.20

15.21

15.22

15.23

15.24

15.25

15.26

15.27

15.28

15.29

15.30

15.31

15.32

A = the manufacturer's recycling obligation as determined under section 115A.1320;

1st Engrossment

B = the number of pounds of covered electronic devices that a manufacturer recycled or arranged to have collected and recycled from households during the immediately preceding program year, as reported under section 115A.1316, subdivision 1;

C = the number of phase I or phase II recycling credits a manufacturer elects to use to ealculate the variable recycling fee; and

D = the estimated per-pound cost of recycling, initially set at \$0.50 per pound for manufacturers who recycle less than 50 percent of the manufacturer's recycling obligation; \$0.40 per pound for manufacturers who recycle at least 50 percent but less than 90 percent of the manufacturer's recycling obligation; \$0.30 per pound for manufacturers who recycle at least 90 percent but less than 100 percent of the manufacturer's recycling obligation; and \$0.00 per pound for manufacturers who recycle 100 percent or more of the manufacturer's recycling obligation.

- (c) A manufacturer may petition the agency to waive the per-pound cost of recycling fee, element D in the formula in paragraph (b), required under this section. The agency shall direct the commissioner of revenue to waive the per-pound cost of recycling fee if the manufacturer demonstrates to the agency's satisfaction a good faith effort to meet its recycling obligation as determined under section 115A.1320. The petition must include:
- (1) documentation that the manufacturer has met at least 75 percent of its recycling obligation as determined under section 115A.1320;
- (2) a list of political subdivisions and public and private collectors with whom the manufacturer had a formal contract or agreement in effect during the previous program year to recycle or collect covered electronic devices;
- (3) the total amounts of covered electronic devices collected from both within and outside of the 11-county metropolitan area, as defined in subdivision 2;
  - (4) a description of the manufacturer's best efforts to meet its recycling obligation as determined under section 115A.1320; and
- (5) any other information requested by the agency.
- (d) A manufacturer may retain phase I and phase II recycling credits to be added, in whole or in part, to the actual value of C, as reported under section 115A.1316, subdivision 2, during any succeeding program year, provided that no more than 25 percent of a

Sec. 4. 15

manufacturer's recycling obligation (A) for any program year may be met with phase I and phase II recycling credits, separately or in combination, generated in a prior program year. A manufacturer may sell any portion or all of its phase I and phase II recycling credits to another manufacturer, at a price negotiated by the parties, who may use the credits in the same manner.

- (e) For the purpose of determining B in calculating a manufacturer's variable recycling fee using the formula under paragraph (b), starting with the program year beginning July 1, 2019, and continuing each year thereafter, the weight of covered electronic devices that a manufacturer recycled or arranged to have collected and recycled from households located outside the 11-county metropolitan area, as defined in subdivision 2, paragraph (b), is calculated at 1.5 times their actual weight.
- (c) For the program year beginning January 1, 2025, and annually thereafter, the agency must determine the annual registration fees on a sliding scale, based on the manufacturer's market share of covered electronic devices sold in this state, by number of units or weight, as determined by the commissioner. The commissioner shall assign each manufacturer to the applicable market share tier below, based on the commissioner's market share calculation under paragraph (d):

16.18 <u>Tier 1</u> <u>5 percent or greater</u>

16.1

16.2

16.3

16.4

16.5

16.6

16.7

16.8

16.9

16.10

16.11

16.12

16.13

16.14

16.15

16.16

16.17

16.29

16.30

16.31

16.32

16.33

16.34

Sec. 4.

16.19 <u>Tier 2</u> <u>At least 1 but less than 5 percent</u>

16.20 <u>Tier 3</u> <u>At least 0.1 but less than 1 percent</u>

16.21 Tier 4 At least .03 but less than 0.1 percent

16.22 <u>Tier 5</u> <u>At least .01 but less than .03 percent</u>

16.23 <u>Tier 6</u> <u>Less than .01 percent</u>

- Each manufacturer in the same tier shall pay the same fee amount. The commissioner shall determine the amount of the fee paid by manufacturers in each tier so that aggregate annual registration fees do not exceed the total annual costs of activities specified in paragraph (e).
- (d) For the purposes of this section, the commissioner shall calculate each manufacturer's
   market share as follows:
  - (1) by multiplying the total number of units or pounds of computers, computer monitors, televisions, printers, and facsimile machines sold by the manufacturer nationally during the previous calendar year times the ratio of Minnesota's population to the national population in the same year, as measured by the United States Bureau of the Census, and dividing the result by the total number of units or pounds of computers, computer monitors, televisions, printers, and facsimile machines sold by all manufacturers nationally; and

16

| 17.1  | (2) if applicable, for those product models of computers, computer monitors, televisions,        |
|-------|--|
| 17.2  | printers, and facsimile machines sold by the manufacturer that are EPEAT registered, the         |
| 17.3  | calculation in clause (1) must be reduced by:  |
| 17.4  | (i) 15 percent for those product models that have been rated by EPEAT as achieving the           |
| 17.5  | gold standard;   |
| 17.6  | (ii) ten percent for those product models that have been rated by EPEAT as achieving             |
| 17.7  | the silver standard; or  |
| 17.8  | (iii) five percent for those product models that have been rated by EPEAT as achieving           |
| 17.9  | the bronze standard.   |
| 17.10 | (e) The aggregate annual registration fees paid by manufacturers under this subdivision          |
| 17.11 | in a program year:   |
| 17.12 | (1) may be used by the commissioner to implement and enforce sections 115A.1310 to               |
| 17.13 | 115A.1330 and for transfer to the Department of Administration for responsibilities under        |
| 17.14 | section 115A.1324; and   |
| 17.15 | (2) may not be used to supplement payments made from the operations fee assessed in              |
| 17.16 | subdivision 2a to the clearinghouse for distribution to collectors, transporters, and recyclers, |
| 17.17 | and to manufacturers operating a mail-back system.   |
| 17.18 | Subd. 2. Use of registration fees. (a) Registration fees may be used by the commissioner         |
| 17.19 | <del>for:</del>  |
| 17.20 | (1) implementing sections 115A.1312 to 115A.1330, including transfer to the                      |
| 17.21 | commissioner of revenue to carry out the department's duties under section 115A.1320,            |
| 17.22 | subdivision 2, and transfer to the commissioner of administration for responsibilities under     |
| 17.23 | section 115A.1324; and   |
| 17.24 | (2) grants to counties outside the 11-county metropolitan area, as defined in paragraph          |
| 17.25 | (b), and to private entities that collect for recycling covered electronic devices in counties   |
| 17.26 | outside the 11-county metropolitan area, where the collection and recycling is consistent        |
| 17.27 | with the respective county's solid waste plan, for the purpose of carrying out the activities    |
| 17.28 | under sections 115A.1312 to 115A.1330. In awarding competitive grants under this clause,         |
| 17.29 | the commissioner must give preference to counties and private entities that are working          |
| 17.30 | cooperatively with manufacturers to help them meet their recycling obligations under section     |
| 17.31 | 115A.1318, subdivision 1.  |
| 17.32 | (b) The 11-county metropolitan area consists of the counties of Anoka, Carver, Chisago,          |

Sec. 4. 17

17.33

Dakota, Hennepin, Isanti, Ramsey, Scott, Sherburne, Washington, and Wright.

18.1

18.2

18.3

18.4

18.5

18.6

18.7

18.8

18.9

18.10

18.11

18.12

18.13

18.14

18.15

18.16

18.17

18.19

18.20

18.21

18.22

18.23

18.24

18.25

18.26

18.27

18.28

18.29

18.30

18.31

18.32

Subd. 2a. Operations fee. (a) Beginning January 1, 2027, the agency must assess, on a quarterly basis, an operations fee on each manufacturer that is required to pay a registration fee for that program year. The agency must calculate the operations fee by multiplying a manufacturer's market share, as calculated under subdivision 1, paragraph (d), for the most recently completed program year, by the total cost of collection, transportation, and recycling operations of the plan during the previous quarter. For a manufacturer operating a mail-back system under section 115A.1311, subdivision 4, the operational fee is equal to the mail-back, transportation, and recycling costs of the program during the previous quarter. A manufacturer must remit the full operations fee to the agency within 30 days of receipt of the fee assessment.

- (b) The commissioner shall deposit all fees collected under this subdivision into the covered electronic device waste collection and recycling account established in section 115A.1321.
- (c) No later than 30 days following the receipt of operations fees from manufacturers, the commissioner must use the operations fees to make payments to the clearinghouse and to manufacturers operating a mail-back system for collection, transportation, and recycling costs, as applicable.
- 18.18 Sec. 5. Minnesota Statutes 2022, section 115A.1318, is amended to read:

#### 115A.1318 RESPONSIBILITIES; PROHIBITION.

- Subdivision 1. **Manufacturer responsibilities.** (a) In addition to fulfilling A manufacturer must fulfill the requirements of sections 115A.1310 to 115A.1330, a manufacturer must comply with paragraphs (b) to (f).
- (b) A manufacturer must annually recycle or arrange for the collection and recycling of an amount of video display devices as determined by the agency in section 115A.1320, subdivision 1. A manufacturer must assume all financial responsibility associated with for costs incurred from collecting, transporting, and recycling covered electronic devices that are used to meet the manufacturer's recycling obligation determined under section 115A.1320 or that are counted as phase I or II recycling credits, including any necessary supplies. This excludes costs that are associated with receiving and aggregating covered electronic devices from households and all the activities up to the time that covered electronic devices are loaded for transport to a recycler or arranged for transportation to a recycler under a plan approved by the agency.

Sec. 5. 18

(c) The obligations of a manufacturer apply A manufacturer is required to recycle only 19.1 to video display covered electronic devices received from households and do not apply to 19.2 19.3 video display devices received from sources other than households covered entities. (d) A manufacturer must conduct and document ensure that due diligence assessments 19.4 of collectors and recyclers it contracts with, and of any applicable downstream recycling 19.5 operations, are conducted and documented, including an assessment of items specified under 19.6 subdivision 2. A manufacturer is responsible for maintaining, for a period of three years, 19.7 19.8 documentation that all covered electronic devices recycled, partially recycled, or sent to downstream recycling operations comply with the requirements of subdivision 2. 19.9 19.10 (e) A manufacturer must provide the agency with contact information for a person who can be contacted regarding the manufacturer's activities under sections 115A.1310 to 19.11 115A.1320. 19.12 (f) (e) Only the covered electronic devices that are recycled by a registered recycler that 19.13 is certified by an ANSI-ASQ National Accreditation Board-accredited third-party certification 19.14 body to an environmentally sound management standard are eligible to meet the 19.15 manufacturer's obligation as meeting an environmentally sound management standard by 19.16 a certification body accredited by the American National Standards Institute-American 19.17 Society for Quality National Accreditation Board may be reported under paragraph (f). 19.18 19.19 (f) Beginning March 1, 2027, and continuing each March 1 thereafter, a manufacturer must report to the agency, on a form approved by the agency: 19.20 (1) a description of the collection, transportation, mail-back, and recycling activities 19.21 conducted under the approved plan in all regions of the state; 19.22 (2) separate estimates of the number of units and the total weight of the manufacturer's 19.23 covered electronic devices for each specific model sold to covered entities during the previous 19.24 19.25 program year; (3) the total weight of the manufacturer's covered electronic devices sold to covered 19.26 entities during the previous program year, which may be estimated by multiplying the weight 19.27 of its covered electronic devices sold nationally times the quotient of Minnesota's population 19.28 divided by the national population. The method in this clause must be used by a manufacturer 19.29 19.30 that sells 99 or fewer covered electronic devices to covered entities in the state during the previous program year; 19.31

(4) an estimate of the total weight of covered electronic devices collected and recycled;

(5) a description of how the estimates in clauses (2) to (4) were calculated;

Sec. 5. 19

19.32

19.33

| 20.1  | (6) employ bidding processes that are open, competitive, and fair;                           |
|-------|--|
| 20.2  | (7) arrange transportation of covered electronic devices from collectors to recyclers        |
| 20.3  | within two business days of a request; and   |
| 20.4  | (8) ensure adequate financial assurance for collection, handling, and disposal activities    |
| 20.5  | by posting a performance bond, or issuing a letter of credit or other financial instrument.  |
| 20.6  | (g) A manufacturer must furnish any information the agency determines is necessary to        |
| 20.7  | assess compliance with sections 115A.1310 to 115A.1330.                                      |
| 20.8  | Subd. 1a. Collector responsibilities. (a) Collection sites must be: A collector must         |
| 20.9  | furnish any information requested by the agency or department to determine compliance        |
| 20.10 | with sections 115A.1310 to 115A.1330.  |
| 20.11 | (b) A collector operating under a plan must:   |
| 20.12 | (1) certify in a written agreement with the clearinghouse that the collector will operate    |
| 20.13 | in compliance with a plan approved by the agency;  |
| 20.14 | (2) host collection sites that are:  |
| 20.15 | (1) (i) staffed; and   |
| 20.16 | (2) (ii) open to the public at a frequency adequate to meet the needs of the area being      |
| 20.17 | served-;   |
| 20.18 | (iii) accept any covered electronic device; and  |
| 20.19 | (iv) beginning April 30, 2027, and continuing each 30th day of July, October, January,       |
| 20.20 | and April thereafter, a collector must report to the clearinghouse on a form approved by the |
| 20.21 | commissioner the total weight of covered electronic devices collected during the preceding   |
| 20.22 | quarter under the plan.  |
| 20.23 | (b) (c) A collector may limit the number of covered electronic devices or covered            |
| 20.24 | electronic devices by product type accepted per customer per day or per delivery at a        |
| 20.25 | collection site or service.  |
| 20.26 | (c) A collector must use only registered recyclers.  |
| 20.27 | (d) A collector that is not operating under a plan must comply with paragraph (a) and        |
| 20.28 | paragraph (b), item (iv), of this subdivision, as applicable.                                |
| 20.29 | Subd. 1b. Clearinghouse responsibilities. A clearinghouse must:                              |
| 20.30 | (1) collaborate with manufacturers to develop a plan that meets all the requirements of      |
| 20.31 | section 115A.1311, subdivision 3;  |

CKM

REVISOR

S3940-1

1st Engrossment

SF3940

Sec. 5. 20

(5) possess liability insurance of not less than \$1,000,000 \$5,000,000 for environmental

Sec. 5. 21

releases, accidents, and other emergencies;

21.1

21.2

21.3

21.4

21.5

21.6

21.7

21.8

21.9

21.10

21.11

21.12

21.13

21.14

21.15

21.16

21.17

21.18

21.19

21.20

21.21

21.22

21.23

21.24

21.25

21.26

21.27

21.28

21.29

21.30

(6) provide a report annually to each registered collector regarding the video display 22.1 covered electronic devices received from that entity; and 22.2 22.3 (7) do not charge collectors for transporting, recycling, or any necessary supplies related to transporting or recycling covered electronic devices that meet a manufacturer's recycling 22.4 obligation as determined under section 115A.1320, unless otherwise mutually agreed upon 22.5 under a plan approved by the agency. 22.6 (b) (d) A nonprofit corporation that contracts with a correctional institution to refurbish 22.7 and reuse donated computers in schools is exempt from paragraph (a) (c), clauses (4) and 22.8 **(5)**. 22.9 (e) Except to the extent otherwise required by law and unless agreed upon otherwise 22.10 by the recycler or manufacturer, a recycler has no responsibility for any data that may be 22.11 contained in a covered electronic device if an information storage device is included in the 22.12 covered electronic device. 22.13 (f) A recycler must provide any information requested by the agency to determine 22.14 compliance with sections 115A.1310 to 115A.1330. 22.15 Subd. 3. Retailer responsibilities. (a) A retailer is responsible for reviewing registration 22.16 information placed on the agency's website, as required under section 115A.1312, subdivision 22.17 2, paragraph (g). Beginning January 1, 2027, no retailer shall sell or offer for sale a covered 22.18 electronic device that is not labeled by the manufacturer and registered as required by section 22.19 115A.1312. 22.20 (b) A retailer is not responsible for an unlawful sale under this subdivision if the 22.21 manufacturer was not registered or the manufacturer's registration expired or was revoked, 22.22 provided that the retailer took possession of the covered electronic device prior to January 22.23 1, 2027, or prior to the expiration or revocation of the manufacturer's registration, and the 22.24 unlawful sale occurred within six months after the expiration or revocation. 22.25 (c) Beginning January 1, 2027, a retailer who sells new video display selling covered 22.26 electronic devices in this state shall provide information to households customers describing 22.27 where and how they may recycle video display covered electronic devices and advising 22.28 them of opportunities and locations for the convenient collection of video display covered 22.29 electronic devices, including manufacturer mail-back programs, for the purpose of recycling. 22.30 This requirement may be met by posting signs at the point of sale stating that covered 22.31 electronic devices should not be placed in solid waste or a solid waste facility, or by providing 22.32 to households customers the agency's toll-free number and website address. Retailers selling 22.33

Sec. 5. 22

Subd. 4. **Prohibition.** A collector may not be charged for collection, transportation, or recycling services, or any costs incurred by a collector operating under a plan approved by the agency.

#### Sec. 6. [115A.1319] TRANSITION TO NEW PROGRAM.

23.1

23.2

23.3

23.4

23.5

23.6

23.12

23.13

23.14

23.15

23.16

23.17

23.18

23.19

23.20

23.21

23.22

23.23

23.24

23.25

23.26

23.27

23.28

- 23.7 (a) Notwithstanding section 115A.1310, subdivision 13, the program year beginning
  23.8 July 1, 2025, ends on December 31, 2026.
- (b) Notwithstanding section 115A.1314, the registration fee for the program year
  beginning July 1, 2025, is 1.5 times the registration fee that would otherwise be charged
  for a 12-month program year.
  - (c) In addition to the annual registration and operations fees charged to manufacturers under section 115A.1314, the agency shall charge each manufacturer a onetime advance operations fee that is due for payment on October 15, 2026. The agency must calculate the advance operations fee by multiplying the manufacturer's market share in 2024, as calculated in section 115A.1314, subdivision 1, paragraph (d), times the number of pounds of covered electronic devices the manufacturer collected in 2024, as reported in section 115A.1318, subdivision 1, paragraph (f), times the commissioner's estimate of the national average cost to recycle one pound of covered electronic devices, times 0.5.
  - (d) No later than March 31, 2027, the agency must compare each manufacturer's advance operations fee assessed in paragraph (c) with the product of the actual total cost of collecting, transporting, and recycling covered electronic devices under the plan in which the manufacturer participated, multiplied times the manufacturer's market share, as calculated in section 115A.1314, subdivision 1, paragraph (d). If the manufacturer's advance operations fee exceeds a manufacturer's share of estimated actual program costs, the agency must pay the difference to the manufacturer. If the manufacturer's share of estimated actual program costs exceeds the manufacturer's advance operations fee, the manufacturer must remit the difference to the agency.
- (e) Notwithstanding section 115A.1318, reports required by the agency from manufacturers, collectors, and recyclers for the 2025 program year are not due until January 15, 2027.

Sec. 6. 23

senate and house of representatives committees with jurisdiction over solid waste policy.

display device waste that is the weight of all video display devices collected for recycling

(e) By May 1 each year, the agency shall publish a statewide recycling goal for all video

24.1

24.2

24.3

24.4

24.5

24.6

24.7

24.8

24.9

24.10

24.11

24.12

24.13

24.14

24.15

24.16

24.17

24.18

24.19

24.20

24.21

24.22

24.23

24.24

24.25

24.26

24.27

24.28

24.29

Sec. 7. 24

25.1

25.2

25.3

25.4

25.5

25.6

25.7

25.8

25.9

25.10

25.11

25.12

25.13

25.14

25.15

25.16

25.17

25.18

25.19

25.20

25.21

25.22

25.23

25.24

25.25

25.26

25.27

25.28

25.29

25.30

25.31

25.32

25.33

1st Engrossment

during each of the three most recently completed program years, excluding the most recently concluded program year, divided by two.

S3940-1

(f) By May 1 each year, the agency shall determine each registered manufacturer's market share of video display devices to be collected and recycled based on the manufacturer's percentage share of the total weight of video display devices sold as reported to the agency under section 115A.1316, subdivision 1.

(g) By May 1 each year, the agency shall provide each manufacturer with a determination of the manufacturer's share of video display devices to be collected and recycled. A manufacturer's market share of video display devices as specified in paragraph (f) is applied proportionally to the statewide recycling goal as specified in paragraph (e) to determine an individual manufacturer's recycling obligation. Upon request by the commissioner of revenue, the agency must provide the information submitted to manufacturers under this paragraph to the commissioner of revenue.

(h) (c) No later than February 28 each year, beginning in 2026, the agency shall provide must submit a report to the governor and the legislature chairs and ranking minority members of the senate and house committees with primary responsibility for solid waste policy on the implementation of sections 115A.1310 to 115A.1330. For each program year, the report must discuss the total weight of covered electronic devices recycled and a summary of information in the reports submitted by manufacturers and recyclers under section 115A.1316 115A.1318. The report must also discuss the various collection programs used by manufacturers to collect covered electronic devices; information regarding covered electronic devices that are being collected by persons other than registered manufacturers, collectors, and recyclers; and information about covered electronic devices, if any, being disposed of in landfills in this state. The report must examine which covered electronic devices, based on economic and environmental considerations, should be subject to the obligation-setting mechanism under paragraph (g). The report must include a description of enforcement actions taken under sections 115A.1310 to 115A.1330. The agency may include in its report other information received by the agency regarding the implementation of sections 115A.1312 115A.1310 to 115A.1330. The report must be done in conjunction with the report required under section 115A.121.

(i) (d) The agency shall must promote public participation in the activities regulated under sections 115A.1312 115A.1310 to 115A.1330 115A.1339 through public education and outreach efforts.

Sec. 7. 25

26.1

26.2

26.3

26.4

26.5

26.6

26.7

26.8

26.9

26.10

26.11

26.12

26.13

26.14

26.15

26.16

26.17

26.18

26.19

26.20

26.21

26.22

26.23

26.24

26.25

26.26

26.27

26.28

26.29

26.30

26.31

26.32

26.33

| (j) (e) The agency shall must enforce sections 115A.1310 to 115A.1330 in the manner            |
|--|
| provided by sections 115.071, subdivisions 1, 3, 4, 5, and 6; and 116.072, except for those    |
| provisions enforced by the department, as provided in subdivision 2. The agency may revoke     |
| a registration of a collector or recycler found to have violated sections 115A.1310 to         |
| 115A.1330.   |
| (k) The agency shall facilitate communication between counties, collection and recycling       |
| centers, and manufacturers to ensure that manufacturers are aware of video display devices     |
| available for recycling.   |
| available for recycling.   |
| (1) (f) The agency shall must post on its website the contact information provided by          |
| each manufacturer under section 115A.1318 115A.1312, subdivision 12, paragraph (e) (a),        |
| clause (2).  |
| Subd. 2. Additional duties. (a) The agency must collect the data submitted to it annually      |
| by each manufacturer on the total weight of each specific model of video display device        |
| sold to households, if provided; the total weight of video display devices sold to households; |
| the total weight of covered electronic devices collected from households that are recycled;    |
| and data on phase I and phase II recycling credits, as required under section 115A.1316.       |
| The department must use this data to review each manufacturer's annual registration fee        |
| submitted to the department to ensure that the fee was calculated accurately.                  |
| (b) The agency must estimate, for each registered manufacturer, the sales of video display     |
| devices to households during the previous program year, based on:                              |
| (1) data provided by a manufacturer on sales of video display devices to households,           |
| including documentation describing how that amount was calculated and certification that       |
| the amount is accurate; or   |
| (2) if a manufacturer does not provide the data specified in clause (1), national data on      |
| sales of video display devices.  |
| The department must use the data specified in this subdivision to review each manufacturer's   |
| annual registration fee submitted to the department to ensure that the fee was calculated      |
| accurately according to the formula in section 115A.1314, subdivision 1.                       |
| (c) The department must enforce section 115A.1314, subdivision 1. The audit, assessment,       |
| appeal, collection, enforcement, disclosure, and other administrative provisions of chapters   |
| 270B, 270C, and 289A that apply to the taxes imposed under chapter 297A apply to the fee       |
| imposed under section 115A.1314, subdivision 1. To enforce section 115A.1314, subdivision      |
| 1, the commissioner of revenue may grant extensions to pay, and impose and abate penalties     |

Sec. 7. 26

| SF3940      | REVISOR                          | CKM               | S3940-1                 | 1st Engrossment       |
|-------------|----------------------------------|-------------------|-------------------------|-----------------------|
| and interes | st on, the fee due under         | section 115A.13   | 14, subdivision 1, in t | the manner provided   |
| in chapters | <del>s 270C and 289A as if</del> | the fee were a ta | x imposed under cha     | <del>pter 297A.</del> |

(d) The department may disclose nonpublic data to the agency only when necessary for the efficient and effective administration of the activities regulated under sections 115A.1310 to 115A.1330. Any data disclosed by the department to the agency retains the classification it had when in the possession of the department.

Sec. 8. [115A.1321] COVERED ELECTRONIC DEVICE WASTE COLLECTION

AND RECYCLING ACCOUNT.

27.1

27.2

27.3

27.4

27.5

27.6

27.7

27.8

27.9

27.10

27.11

27.12

27.13

27.14

27.15

27.16

27.17

27.28

27.29

27.30

27.31

27.32

- Subdivision 1. Establishment of account. The covered electronic device waste collection and recycling account is established as a separate account in the environmental fund in the state treasury. The commissioner of the Pollution Control Agency shall credit to the account registration and operations fees paid by manufacturers under sections 115A.1314 and 115A.1319, and appropriations and transfers to the account. Earnings, such as interest, dividends, and any other earnings arising from assets of the account, must be credited to the account. Funds remaining in the account at the end of a fiscal year are not canceled to the general fund, but remain in the account until expended. The commissioner of the Pollution Control Agency shall manage the account.
- Subd. 2. **Expenditures.** Money in the account may be used only as follows:
- 27.19 (1) operations fees assessed under section 115A.1314, subdivision 2a, and the onetime 27.20 advanced operations fee assessed in section 115A.1319 must be used only for the purposes 27.21 specified in section 115A.1314, subdivision 2a, paragraph (c); and
- 27.22 (2) registration fees paid under section 115A.1314, subdivision 1, must be used to
  27.23 reimburse the agency's costs to administer and enforce sections 115A.1310 to 115A.1330.
- 27.24 <u>Subd. 3.</u> <u>Appropriation.</u> Money in the account is appropriated to the commissioner for the purposes of subdivision 2.
- Sec. 9. Minnesota Statutes 2022, section 115A.1322, is amended to read:

#### 27.27 **115A.1322 OTHER RECYCLING PROGRAMS.**

A city, county, or other public agency may not require households to use public facilities to recycle their covered electronic devices to the exclusion of other lawful programs available. Cities, counties, and other public agencies, including those awarded contracts by the agency under section 115A.1314, subdivision 2, are encouraged to work with manufacturers to assist them in meeting their recycling obligations under section 115A.1318, subdivision 1.

Sec. 9. 27

| SF3940  | REVISOR  | CKM    | S3940-1              | 1st Engrossment |
|---------|----------|--------|----------------------|-----------------|
| 3173770 | KE VISOK | CIXIVI | 337 <del>1</del> 0-1 | 15t Engrossment |

Nothing in sections 115A.1310 to 115A.1330 prohibits or restricts the operation of any program recycling covered electronic devices in addition to those provided by manufacturers or prohibits or restricts any persons from receiving, collecting, transporting, or recycling covered electronic devices, provided that those persons are registered under section 115A.1312.

Sec. 10. Minnesota Statutes 2022, section 115A.1324, is amended to read:

28.1

28.2

28.3

28.4

28.5

28.6

28.7

28.8

28.9

28.10

28.14

28.15

28.16

28.17

28.18

28.19

28.29

28.30

28.31

28.32

#### 115A.1324 REQUIREMENTS FOR PURCHASES BY STATE AGENCIES.

- (a) The Department of Administration must ensure that acquisitions of video display covered electronic devices under chapter 16C are in compliance with or not subject to sections 115A.1310 to 115A.1318.
- (b) The solicitation documents must specify that the prospective responder is required to cooperate fully in providing reasonable access to its records and documents that evidence compliance with paragraph (a) and sections 115A.1310 to 115A.1318.
  - (c) Any person awarded a contract under chapter 16C for purchase or lease of video display covered electronic devices that is found to be in violation of paragraph (a) or sections 115A.1310 to 115A.1318 is subject to the following sanctions:
  - (1) the contract must be voided if the commissioner of administration determines that the potential adverse impact to the state is exceeded by the benefit obtained from voiding the contract;
- 28.20 (2) the contractor is subject to suspension and disbarment under Minnesota Rules, part 1230.1150; and
- 28.22 (3) if the attorney general establishes that any money, property, or benefit was obtained 28.23 by a contractor as a result of violating paragraph (a) or sections 115A.1310 to 115A.1318, 28.24 the court may, in addition to any other remedy, order the disgorgement of the unlawfully 28.25 obtained money, property, or benefit.
- Sec. 11. Minnesota Statutes 2022, section 115A.1326, is amended to read:

## 28.27 115A.1326 REGULATING <del>VIDEO DISPLAY</del> <u>COVERED ELECTRONIC</u> 28.28 **DEVICES.**

If the United States Environmental Protection Agency adopts regulations under the Resource Conservation and Recovery Act regarding the handling, storage, or treatment of any type of video display covered electronic device being recycled, those regulations are automatically effective in this state on the same date and supersede any rules previously

Sec. 11. 28

| 29.1  | adopted by the agency regarding the handling, storage, or treatment of all video display     |
|-------|--|
| 29.2  | covered electronic devices being recycled.   |
| 20.2  | Soc. 12 Minnogota Statutos 2022, goation 115 A 1220, is amonded to read.                     |
| 29.3  | Sec. 12. Minnesota Statutes 2022, section 115A.1330, is amended to read:                     |
| 29.4  | 115A.1330 LIMITATIONS.   |
| 29.5  | Sections 115A.1310 to 115A.1330 expire if a federal law, or combination of federal           |
| 29.6  | laws, take effect that is applicable to all video display covered electronic devices sold in |
| 29.7  | the United States and establish a program for the collection and recycling or reuse of video |
| 29.8  | display covered electronic devices that is applicable to all video display devices discarded |
| 29.9  | by households.   |
|       |  |
| 29.10 | Sec. 13. [115A.1331] DEFINITIONS.  |
| 29.11 | (a) For the purposes of sections 115A.1331 to 115A.1339, the following terms have the        |
| 29.12 | meanings given them.   |
| 29.13 | (b) "Collector" means a public or private entity registered with the agency under section    |
| 29.14 | 115A.1312 to collect or receive discarded electronics recyclables from a covered entity and  |
| 29.15 | arrange for their delivery to a transporter or recycler.                                     |
| 29.16 | (c) "Covered entity" has the meaning given in section 115A.1310, subdivision 7a.             |
| 29.17 | (d) "Electronics recyclables" means products that are powered by, generate, store, or        |
| 29.18 | conduct electricity. Electronics recyclables does not include:                               |
| 29.19 | (1) a covered electronic device, as defined in section 115A.1310, subdivision 7;             |
| 29.20 | (2) electric vehicles, as defined in section 169.011, subdivision 26a;                       |
| 29.21 | (3) industrial machinery;  |
| 29.22 | (4) major appliances;  |
| 29.23 | (5) solar photovoltaic panels;   |
| 29.24 | (6) real property or fixtures;   |
| 29.25 | (7) lead acid batteries; or  |
| 29.26 | (8) equipment used solely for medical purposes.  |
| 29.27 | (e) "Manufacturer" means a person who:   |
| 29.28 | (1) manufactures electronics recyclables to be sold under its own brand as identified by     |
| 29.29 | its own brand label; or  |

SF3940

REVISOR

CKM

S3940-1

1st Engrossment

Sec. 13. 29

Retailer does not include a person whose sales of electronics recyclables in or into this state

Sec. 13. 30

in the immediately preceding calendar year was less than \$1,000.

30.29

30.30

| 31.1  | (j) "Reuse" means:   |
|-------|--|
| 31.2  | (1) the repair, refurbishment, or enhancement of an electronics recyclable that enables          |
| 31.3  | it to be offered for sale for the same purpose for which it was originally manufactured; or      |
| 31.4  | (2) the offering for sale of a discarded electronics recyclable or any of its components         |
| 31.5  | that have not undergone repair, refurbishment, or enhancement.                                   |
| 31.6  | (k) "Transporter" means a person that transports discarded electronics recyclables from          |
| 31.7  | a collector to a recycler.   |
| 31.8  | <b>EFFECTIVE DATE.</b> This section is effective January 1, 2025.                                |
| 31.9  | Sec. 14. [115A.1332] COLLECTOR AND RECYCLER REGISTRATION.  |
| 31.10 | No person may operate as a collector or recycler of electronics recyclables unless that          |
| 31.11 | person has submitted a registration with the agency under section 115A.1312, subdivision         |
| 31.12 | 3 or 4, as applicable.   |
| 31.13 | <b>EFFECTIVE DATE.</b> This section is effective July 1, 2025.                                   |
| 31.14 | Sec. 15. [115A.1335] RECYCLING FEE.  |
| 31.15 | (a) Except as provided in paragraph (b), on and after January 1, 2025, a recycling fee is        |
| 31.16 | imposed on each retailer equal to 3.2 percent of the retail price to each electronics recyclable |
| 31.17 | it offers for sale in this state.  |
| 31.18 | (b) A retailer is not subject to the fee imposed in paragraph (a) for the sale of a cell         |
| 31.19 | phone, but is instead subject to a fee of \$0.90 for each cell phone sold. The fee imposed       |
| 31.20 | under this paragraph is subject to paragraphs (c) to (f).  |
| 31.21 | (c) A retailer may, but is not required to, collect the fee from the purchaser.                  |
| 31.22 | (d) If a retailer collects the fee from the purchaser, the retailer must show the total of       |
| 31.23 | the retail recycling fee as a separate item and distinct from the sales price and any other      |
| 31.24 | taxes or fees imposed on the retail purchase on the purchaser's receipt, invoice, or other bill  |
| 31.25 | of sale. The receipt, invoice, or other bill of sale must state the retail delivery fee as       |
| 31.26 | "electronic waste recycling fee."  |
| 31.27 | (e) The fee required under this section may not be applied to previously owned or                |
| 31.28 | refurbished electronics recyclables.   |

CKM

S3940-1

1st Engrossment

SF3940

REVISOR

Sec. 15. 31

(f) Beginning January 1, 2025, a retailer must remit the recycling fee for each electronics recyclable sold in this state to the commissioner monthly in a manner, and accompanied by a form, prescribed by the commissioner.

**EFFECTIVE DATE.** This section is effective January 1, 2025.

32.1

32.2

32.3

32.4

32.5

32.6

32.7

32.8

32.9

32.10

32.11

32.12

32.13

32.14

32.15

32.16

32.17

32.18

32.19

32.20

#### Sec. 16. [115A.1336] ELECTRONIC WASTE RECYCLING ACCOUNT.

Subdivision 1. Establishment of account. An electronic waste recycling account is established in the special revenue fund in the state treasury. The commissioner shall credit to the account recycling fees remitted to the agency by retailers under section 115A.1335, and appropriations and transfers to the account. Earnings, such as interest, dividends, and any other earnings arising from assets of the account, must be credited to the account. Funds remaining in the account at the end of a fiscal year are not canceled to the general fund, but remain in the account until expended. The commissioner shall manage the account. Money in the account is appropriated to the commissioner to administer the electronic waste recycling program under sections 115A.1331 to 115A.1342.

- Subd. 2. Use of funds. (a) Of the amount in the account, beginning in fiscal year 2025 and continuing through fiscal year 2028, the commissioner shall allocate \$1,000,000 each year for the purpose of awarding grants under section 115A.1342 and to reimburse the agency for its costs to administer that section. Unexpended funds for this purpose remain available for this purpose until June 30, 2028, at which point they become available for other purposes in this subdivision.
- 32.21 (b) \$420,000 is to be used for the study required under section 23.
- 32.22 (c) The balance of the account is to be used to:
- 32.23 (1) reimburse the costs of collectors under the electronic waste recycling program; and
- 32.24 (2) reimburse the reasonable costs of the agency to administer and enforce sections
- 32.25 115A.1331 to 115A.1340, which costs may not exceed three percent of the balance in the
- account at the end of the month in which the agency submits a reimbursement request,
- excluding the amounts set aside for the purposes of paragraphs (a) and (b).
- Subd. 3. **Financial reserve limit.** (a) The commissioner must not maintain a financial reserve in the account established under this section in excess of 75 percent of the agency's average annual expenses required to implement sections 115A.1331 to 115A.1342.
- 32.31 (b) If the financial reserve at any time exceeds 75 percent of the agency's annual expenses to implement sections 115A.1331 to 115A.1342, the commissioner must reduce the recycling

Sec. 16. 32

| 33.1  | fee established in section 115A.1335 for the following year to a level that results in            |
|-------|---|
| 33.2  | compliance with this subdivision.   |
| 33.3  | Subd. 4. Appropriation. Money in the account is appropriated to the commissioner for              |
| 33.4  | the purposes of subdivision 2.  |
| 33.5  | <b>EFFECTIVE DATE.</b> This section is effective January 1, 2025.                                 |
|       |   |
| 33.6  | Sec. 17. [115A.1337] DISPOSITION OF RECYCLING FEES.   |
| 33.7  | Subdivision 1. Collectors' invoices. Beginning in the second quarter of 2025, and                 |
| 33.8  | continuing quarterly thereafter, a collector must submit to the commissioner, on a form and       |
| 33.9  | in a manner prescribed by the commissioner, information and supporting material                   |
| 33.10 | documenting the following costs incurred to collect electronics recyclables during the            |
| 33.11 | previous quarter to conduct activities under sections 115A.1331 to 115A.1340:                     |
| 33.12 | (1) the costs of collecting electronics recyclables which are transported for recycling;          |
| 33.13 | (2) the costs of transporting electronics recyclables to recyclers, as evidenced by invoices      |
| 33.14 | from transporters; and  |
| 33.15 | (3) recycling costs paid by collectors to recyclers of electronics recyclables, as evidenced      |
| 33.16 | by invoices from recyclers.   |
| 33.17 | Subd. 2. Agency review; reimbursement. (a) The commissioner must review the                       |
| 33.18 | information submitted by collectors under subdivision 1. The commissioner may request             |
| 33.19 | additional information or documentation from a collector.   |
| 33.20 | (b) In determining the reasonableness of the cost information submitted by a collector            |
| 33.21 | under subdivision 1, the commissioner must compare the reported costs of collection,              |
| 33.22 | transportation, and recycling with those of other collectors, including collectors operating      |
| 33.23 | in the same geographic region, and must consider the extent to which significant deviations       |
| 33.24 | from the average cost are justified as a result of low population density, distance to recyclers, |
| 33.25 | or other relevant factors.  |
| 33.26 | (c) The commissioner may accept, reject, or modify the requested cost reimbursement               |
| 33.27 | amount submitted by a collector, and must provide a collector with written notice of the          |
| 33.28 | reasons for any rejection or modification of the collector's requested cost reimbursement         |
| 33.29 | amount.   |
| 33.30 | (d) Reimbursements to collectors for collection activities under this subdivision must            |
| 33.31 | be made only for the amount of collected electronics recyclables that is transported to a         |
| 33.32 | recycler.   |

CKM

REVISOR

S3940-1

1st Engrossment

SF3940

Sec. 17. 33

|  | SF3940 | REVISOR | CKM | S3940-1 | 1st Engrossment |
|--|--------|---------|-----|---------|-----------------|
|--|--------|---------|-----|---------|-----------------|

| 34.1  | (e) During the last week of each quarter, the commissioner shall reimburse the collector        |
|-------|---|
| 34.2  | for costs incurred during the previous quarter that the commissioner determines to be           |
| 34.3  | reasonable, plus an additional payment of \$0.90 per pound of electronics recyclables recycled. |
| 34.4  | (f) A person registered as both a collector and a recycler under section 115A.1312 may          |
| 34.5  | not be reimbursed for collection costs with respect to any electronics recyclables recycled     |
| 34.6  | by the person, although the person is eligible to receive the \$0.90 per pound additional       |
| 34.7  | payment required under paragraph (e) for all electronics recyclables collected by that person   |
| 34.8  | that are recycled by that person or other recyclers.  |
| 34.9  | (g) A transporter or recycler may not charge or accept payment from any person except           |
| 34.10 | a collector for transporting, recycling, or otherwise handling electronics recyclables.         |
| 34.11 | (h) Except as provided in paragraph (i), a collector must be compensated for the costs          |
| 34.12 | of collecting, transporting, and recycling electronics recyclables under sections 115A.1331     |
| 34.13 | to 115A.1338 solely from reimbursements made by the commissioner from the proceeds              |
| 34.14 | of the recycling fee imposed in section 115A.1335.  |
| 34.15 | (i) A collector may be compensated by a private individual for services associated with         |
| 34.16 | collecting and recycling electronics recyclables but which are not required under sections      |
| 34.17 | 115A.1331 to 115A.1338, including but not limited to:   |
| 34.18 | (1) collecting electronics recyclables from a private individual's home or business;            |
| 34.19 | (2) data destruction services; and  |
| 34.20 | (3) agreeing to be present at an electronics recyclables collection event hosted by a           |
| 34.21 | sponsor at a location other than a permanent collection site.                                   |
| 34.22 | A collector may not be reimbursed by the commissioner from the proceeds of the recycling        |
| 34.23 | fee for services described in this paragraph.   |
| 34.24 | <b>EFFECTIVE DATE.</b> This section is effective July 1, 2025.                                  |
| 34.25 | Sec. 18. [115A.1338] RESPONSIBILITIES.  |
| 34.26 | Subdivision 1. Collector responsibilities. (a) Collection sites must be staffed and open        |
| 34.27 | to the public at times convenient and of sufficient duration to meet the needs of the area      |
| 34.28 | being served.   |
| 34.29 | (b) A collector may:  |
| 34.30 | (1) refuse to accept any specific type of electronics recyclable; and                           |

Sec. 18. 34

35.1 35.2 per delivery. (c) By July 15 each year, a collector of electronics recyclables must report to the agency 35.3 the total weight of electronics recyclables collected during the preceding calendar year. 35.4 35.5 Subd. 2. **Recycler responsibilities.** A recycler sent electronics recyclables by a collector: (1) may not charge a collector for transporting, recycling, or any necessary supplies 35.6 35.7 related to transporting or recycling electronics recyclables, unless the charge is mutually agreed upon; and 35.8 (2) must submit a written report annually to the commissioner, at a time determined by 35.9 the commissioner, specifying the total weight of electronics recyclables received from each 35.10 collector during the previous year. 35.11 Subd. 3. Retailer responsibilities. A retailer who sells electronics recyclables must 35.12 provide information to purchasers of those products describing: 35.13 35.14 (1) how electronics recyclables may be recycled; (2) opportunities and locations for the convenient collection of electronics recyclables 35.15 for the purpose of recycling; and 35.16 (3) the fee for the operation of the program that is included in the purchase price of 35.17 electronics recyclables sold in this state. 35.18 Subd. 4. Agency responsibilities (a) The commissioner must, in consultation with the 35.19 Electronics Recyclables Advisory Committee established in section 115A.1341, collectors, 35.20 and recyclers, annually review the amount of the recycling fee established under section 35.21 115A.1335 and the additional payment required under section 115A.1337 to ensure that 35.22 revenue collected to reimburse collectors for collection, transportation, and recycling costs 35.23 approved by the commissioner under section 115A.1337 and to reimburse the agency for 35.24 the costs of administering and enforcing sections 115A.1331 to 115A.1342, is sufficient 35.25 but not excessive. The commissioner may adjust the amount of the recycling fee or additional 35.26 payment after considering: 35.27

(1) current and projected sales of electronics recyclables in this state;

- (2) current and projected collection rates of electronics recyclables discarded in this state;
- 35.31 (3) the costs of collecting, transporting, and recycling electronics recyclables in this state; and

Sec. 18. 35

35.28

35.29

35.30

| 36.1  | (4) the agency's costs of administering and enforcing sections 115A.1331 to 115A.1342.        |
|-------|---|
| 36.2  | (b) In order to ensure the most efficient use of recycling fees, the commissioner shall       |
| 36.3  | encourage, and may require, collectors operating in nearby areas to consolidate what would    |
| 36.4  | otherwise be smaller separate shipments of electronics recyclables to recyclers.              |
| 36.5  | (c) The agency shall enforce sections 115A.1331 to 115A.1339 in the manner provided           |
| 36.6  | by sections 115.071, subdivisions 1, 3, 4, 5, and 6; and 116.072. The agency may revoke a     |
| 36.7  | registration of a collector or recycler found to have violated sections 115A.1331 to          |
| 36.8  | <u>115A.1338.</u>   |
| 36.9  | EFFECTIVE DATE. This section is effective July 1, 2025.                                       |
| 36.10 | Sec. 19. [115A.1339] REPORTING.   |
| 36.11 | No later than July 1, 2026, and by each July 1 thereafter, the agency must submit a           |
| 36.12 | written report to the chairs and ranking minority members of the senate and house of          |
| 36.13 | representatives committees with primary jurisdiction over environmental policy and finance    |
| 36.14 | on the operation of the electronic waste recycling program under sections 115A.1331 to        |
| 36.15 | 115A.1339. The report must include, at a minimum:   |
| 36.16 | (1) the total weight of electronics recyclables collected during the previous year, by        |
| 36.17 | collector and county;   |
| 36.18 | (2) the total weight of electronics recyclables transported for recycling during the previous |
| 36.19 | year, by collector and county;  |
| 36.20 | (3) total recycling fees deposited into the electronic waste recycling account;               |
| 36.21 | (4) total reimbursements paid to collectors from the electronic waste recycling account;      |
| 36.22 | (5) impacts of the electronic waste recycling program on the number or location of            |
| 36.23 | collectors;   |
| 36.24 | (6) suggested changes to improve the efficiency and effectiveness of the electronic waste     |
| 36.25 | recycling program; and  |
| 36.26 | (7) any other information about program operations or other issues the agency deems           |
| 36.27 | relevant.   |
| 36.28 | EFFECTIVE DATE. This section is effective July 1, 2025.                                       |

CKM

S3940-1

1st Engrossment

SF3940

REVISOR

Sec. 19. 36

| CE2040 | DELUCOD | CIZL | 02040 1 | 1.5             |
|--------|---------|------|---------|-----------------|
| SF3940 | REVISOR | CKM  | S3940-1 | 1st Engrossment |

| 37.1  | Sec. 20. [115A.1340] OTHER RECYCLING PROGRAMS.  |
|-------|---|
| 37.2  | A city, county, or other public agency may not require purchasers of electronics                  |
| 37.3  | recyclables to use public facilities to recycle electronics recyclables to the exclusion of other |
| 37.4  | lawful programs available. Nothing in sections 115A.1331 to 115A.1338 prohibits or restricts      |
| 37.5  | the operation of any program recycling electronics recyclables in addition to those operated      |
| 37.6  | under sections 115A.1331 to 115A.1338 or prohibits or restricts any persons from receiving        |
| 37.7  | collecting, transporting, or recycling electronics recyclables, provided that those persons       |
| 37.8  | are registered under section 115A.1312.   |
| 37.9  | EFFECTIVE DATE. This section is effective July 1, 2025.   |
| 37.10 | Sec. 21. [115A.1341] ELECTRONICS RECYCLABLES ADVISORY COMMITTEE                                   |
| 37.11 | Subdivision 1. Establishment; members. (a) The commissioner of the Pollution Contro               |
| 37.12 | Agency shall, no later than October 1, 2024, establish and appoint an Electronics Recyclables     |
| 37.13 | Advisory Committee consisting of 11 members appointed as follows:                                 |
| 37.14 | (1) one representative from each of two different sites operated by a public entity where         |
| 37.15 | electronics recyclables are collected for recycling;  |
| 37.16 | (2) one representative from each of two different sites operated by a private entity where        |
| 37.17 | electronics recyclables are collected for recycling;  |
| 37.18 | (3) one representative from each of two different Tribal environmental services                   |
| 37.19 | organizations;  |
| 37.20 | (4) one representative of a recycler of covered electronic devices, as defined in section         |
| 37.21 | 115A.1310, subdivision 7a;  |
| 37.22 | (5) one representative of a recycler of electronics recyclables;                                  |
| 37.23 | (6) one representative from each of two different environmental nonprofit organizations           |
| 37.24 | and   |
| 37.25 | (7) one representative from the public at-large.  |
| 37.26 | (b) In appointing members to the advisory committee, the commissioner shall:                      |
| 37.27 | (1) appoint a laborer as one of the representatives from a public or private collection           |
| 37.28 | site;   |
| 37.29 | (2) not appoint a person who is a lobbyist registered under section 10A.03;                       |
| 37.30 | (3) appoint no more than seven members of the advisory committee who reside within                |
| 37.31 | Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, or Washington Counties; and                       |

(2) equipment that improves outdoor air quality in a facility operating a smelter; or

Sec. 22. 38

38.29

38.30

smelter;

| 39.1  | (3) forklifts that operate solely on electricity that replace forklifts operating solely on a  |
|-------|--|
| 39.2  | fossil fuel.   |
| 39.3  | Subd. 4. Grant amounts. A grant awarded under this section may not exceed the lesser           |
| 39.4  | of 90 percent of the purchase and installation costs of the applicable equipment or \$500,000. |
| 39.5  | Subd. 5. Expiration. This section expires June 30, 2028.                                       |
| 39.6  | <b>EFFECTIVE DATE.</b> This section is effective the day following final enactment.            |
| 39.7  | Sec. 23. ELECTRONICS RECYCLING STUDY.  |
| 39.8  | (a) The commissioner of the Pollution Control Agency shall contract with an independent        |
| 39.9  | third party to conduct a study that examines the barriers to electronics recycling and         |
| 39.10 | recommends ways those barriers may be overcome. The study must, at a minimum, address:         |
| 39.11 | (1) the status of end markets for materials recovered from electronics recycling;              |
| 39.12 | (2) information regarding the toxicity of materials recovered from electronics recycling;      |
| 39.13 | (3) ways to promote worker safety in facilities that recycle electronics;                      |
| 39.14 | (4) opportunities and methods to recover precious metals from electronic recycling             |
| 39.15 | processes;   |
| 39.16 | (5) measures to reduce emissions of greenhouse gases from electronic recycling facilities;     |
| 39.17 | <u>and</u>   |
| 39.18 | (6) how changes in product design that increase the recyclability of electronics products      |
| 39.19 | can be encouraged.   |
| 39.20 | (b) No later than March 1, 2025, the commissioner shall submit a written report containing     |
| 39.21 | the findings and recommendations of the study to the chairs and ranking minority members       |
| 39.22 | of the senate and house of representatives committees with primary responsibility over         |
| 39.23 | recycling.   |
| 39.24 | <b>EFFECTIVE DATE.</b> This section is effective the day following final enactment.            |
| 39.25 | Sec. 24. <u>REPEALER.</u>  |
| 39.26 | Minnesota Statutes 2022, section 115A.1316, subdivisions 1, 2, and 3, are repealed.            |

CKM

S3940-1

1st Engrossment

SF3940

REVISOR

# APPENDIX Repealed Minnesota Statutes: S3940-1

#### 115A.1316 REPORTING REQUIREMENTS.

Subdivision 1. **Manufacturer reporting requirements.** (a) By March 1 each year, each manufacturer must report to the agency using the form prescribed:

- (1) the total weight of each specific model of its video display devices sold to households during the previous calendar year; and
  - (2) either:
- (i) the total weight of its video display devices sold to households during the previous calendar year; or
- (ii) an estimate of the total weight of its video display devices sold to households during the previous calendar year, calculated by multiplying the weight of its video display devices sold nationally times the quotient of Minnesota's population divided by the national population. All manufacturers with sales of 99 or fewer video display devices to households in the state during the previous calendar year must report using the method under this item for calculating sales.

A manufacturer must submit with the report required under this paragraph a description of how the information or estimate was calculated.

- (b) By August 15 each year, each manufacturer must report to the agency:
- (1) the total weight of covered electronic devices the manufacturer collected from households and recycled or arranged to have collected and recycled during the preceding program year;
- (2) the number of phase I and phase II recycling credits the manufacturer has purchased and sold during the preceding program year;
- (3) the number of phase I and phase II recycling credits possessed by the manufacturer that the manufacturer elects to use in the calculation of its variable recycling fee under section 115A.1314, subdivision 1; and
- (4) the number of phase I and phase II recycling credits the manufacturer retains at the beginning of the current program year.
- (c) Upon request of the commissioner of revenue, the agency shall provide a copy of each report to the commissioner of revenue.
- Subd. 2. **Recycler reporting requirements.** (a) By July 15 each year, a recycler of covered electronic devices must report to the agency:
- (1) the total weight of covered electronic devices recycled during the preceding program year and must certify that the recycler has complied with section 115A.1318, subdivision 2;
- (2) the weight of video display devices recycled as part of covered electronic devices recycled during the previous program year; and
- (3) an estimate of the weight of portable batteries and any mercury-containing lamps that are associated with the covered electronic devices managed.
- (b) Upon request of the commissioner of revenue, the agency shall provide a copy of each report to the commissioner of revenue.
- Subd. 3. **Collector reporting requirements.** By July 15 each year, a collector must report separately to the agency using the form prescribed by the commissioner:
  - (1) the total pounds of covered electronic devices collected in the state;
  - (2) a list of all recyclers to whom collectors delivered covered electronic devices; and
- (3) whether the collector had a contract with a recycler or manufacturer to provide pounds toward meeting a manufacturer's obligation.