

FISCAL NOTE
[First Reprint]
SENATE, No. 1977
STATE OF NEW JERSEY
214th LEGISLATURE

DATED: JUNE 17, 2010

SUMMARY

- Synopsis:** Revises “Electronic Waste Recycling Act.”
- Type of Impact:** The General Fund would incur program expenditures that would be partially or wholly offset by registration fees imposed under the bill.
- Agencies Affected:** Department of Environmental Protection

Executive Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
State Cost	\$976,500	\$1,020,900	\$1,067,600
State Revenue	Indeterminate - See comments below		

- The Office of Legislative Services (OLS) **concurs** with the Executive estimate but notes that it does not include estimates of registration fee revenues, which could offset most or all of the program costs estimated above. The OLS cannot, at this time, provide revenue estimates due to the difficulty in obtaining pertinent data within the limited timeframe available for this task.
- The bill revises the “Electronic Waste Recycling Act,” P.L.2007, c.347, by revising its penalty provisions, deleting the credit-trading program, allocating all registration fees to the Department of Environmental Protection (DEP), allowing consumer recycling fees to be assessed under certain conditions, and making other technical and policy adjustments.
- The “Electronic Waste Recycling Act,” enacted in early 2008 and amended later in 2008, directed the DEP to establish a collection and recycling system for end-of-life desktop or personal computers and monitors, portable computers, and televisions.

BILL DESCRIPTION

Senate Bill No. 1977 (1R) of 2010 amends the “Electronic Waste Recycling Act,” P.L.2007, c.347, by revising its penalty provisions, deleting the credit-trading program, reallocating the

funds collected under registration fees, authorizing enforcement of the act by certified local health agencies, exempting manufacturers who sell less than 100 televisions or less than 100 covered electronic devices in the previous program year from paying the \$5,000 registration or registration renewal fee, and removing audit and public hearing requirements under current law.

For background purposes, the “Electronic Waste Recycling Act” established a recycling system for the safe and environmentally-sound management of electronic devices and components, primarily desktop or personal computers, computer monitors, portable computers, and televisions. Beginning on January 1, 2009, the act made it unlawful for any person to sell in the State a new electronic device (i.e., a computer or TV) that was not in full compliance with the requirements of the act. In addition, on the aforementioned date, a ban on the disposal of those used electronic devices, or any of their components or subassemblies, in the solid waste stream would be imposed.

The act further required the DEP, by January 30, 2010 and annually thereafter, to complete an auditable, statistically significant sampling of covered electronic devices collected from consumers in the State during the previous program year. By January 1, 2008 and each January 1 thereafter, every manufacturer of covered electronic devices offered for sale in the State would be required to register with the DEP and pay a registration fee of \$5,000. This bill would specifically allocate those fees to the DEP to cover program costs.

FISCAL ANALYSIS

EXECUTIVE BRANCH

The DEP submitted estimates of program costs that are listed on the preceding page. These costs are based on manufacturer estimates of sales of covered electronics within the State. Salary costs are estimated at \$734,100 for the first year of the program and cover 10 employees, while non-salary costs are estimated at \$242,400 for the first program year. The increase in program costs over the following two years reflect cost of living adjustments.

OFFICE OF LEGISLATIVE SERVICES

The OLS concurs with the DEP cost estimates but notes that it does not include estimates of registration fee revenues, which could offset most or all of the program costs estimated above. These estimates were probably not included because the DEP submitted its Fiscal Note worksheet prior to the adoption of bill amendments by the Senate Environment and Energy Committee, which specified that all registration fees be allocated directly to the DEP to cover program costs. The OLS cannot, at this time, provide revenue estimates due to the difficulty in obtaining pertinent data within the limited timeframe available for this task.

Section: Environment, Agriculture, Energy and Natural Resources

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This fiscal note has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).