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STATE OF MICHIGAN  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
LANSING



C. HEIDI GREETHER  
DIRECTOR

VIA E-MAIL

TO: Jeff Cobb, Secretary of the Senate  
Gary Randall, Clerk of the House of Representatives

FROM: C. Heidi Grether, Director *CHG*

DATE: November 17, 2017

SUBJECT: Report on Part 173, Electronics Fees

In accordance with Section 17317(9) of Part 173, Electronics, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, below is a summary of the Department of Environmental Quality's (DEQ) Electronic Waste Recycling Fund (Fund) for fiscal year (FY) 2016 and FY 2017.

**Electronic Waste Recycling Fund Revenues and Expenses**

Program revenue is received from the annual registrations paid by manufacturers and recyclers of computers, printers, and televisions and other covered electronic devices. These are devices that are intended for sale and collected for recycling from consumers in Michigan. The table below shows the number of payees and the annual fee. Expenses paid by the Fund include the costs associated with administering the law, including the collection and oversight of the proper recycling of consumer and small business sourced electronics. The table below summarizes the revenue and expenses for the last two years:

<b>Electronic Waste Recycling Fund Summary</b>		
	<b>FY 2016</b>	<b>FY 2017</b>
Beginning Fund Balance	\$539,254	\$482,598
Fund Revenue	\$294,339	\$266,756
Fund Expenses	\$350,995	\$450,414 (projected)
Fund Balance on September 30, 2017 (projected)		\$298,940

<b>Number of Registrations</b>			
	<b>FY 2016</b>	<b>FY 2017</b>	<b>Annual Fee</b>
Number of manufacturer registrations	83	75	\$3,000
Number of recycler registrations	33	28	\$2,000

The annual revenue received by the Fund meets the projections outlined during the inception of Part 173 and its funding mechanism. The Fund is not taking in more revenue than anticipated and, therefore, will not exceed the statutory funding cap on December 31 of any year, as defined in Section 17303(6) of Part 173.

### **Fund Adequacy**

The Fund continues to be sufficient to allow the administration of the current program, including supporting FTEs. Those administrative activities include a primary program focus of compliance assistance, education and outreach, and community assistance. The Fund supports additional recycling-related activities, such as: recycling measurement technology program costs; a portion of the DEQ Recycling Specialists staff cost; and a portion of the Recycling Market Development staff cost. In FY 2016 the program provided an increased level of effort to education and outreach activities for communities involved in the collection of electronics under Part 173.

### **Recommendation for Program Modification**

The DEQ completed a stakeholder process in FY 2016 to review the effectiveness of the eight-year-old law. The DEQ intends to introduce recommendations put forward by this group for improving the effectiveness of the program by the end of FY 2018. For additional information on Michigan's Electronic Waste Takeback Law, Part 173, please visit [www.michigan.gov/deqwaste](http://www.michigan.gov/deqwaste).

If you need further information, please contact Mr. Jack Schinderle, Director, Waste Management and Radiological Protection Division, at 517-284-6551; or you may contact me at 517-284-6700.

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