



STATE OF MICHIGAN  
DEPARTMENT OF  
ENVIRONMENT, GREAT LAKES, AND ENERGY  
LANSING




GRETCHEN WHITMER  
GOVERNOR

LIESL EICHLER CLARK  
DIRECTOR

VIA E-MAIL

TO: Margaret O'Brien, Secretary of the Senate  
Gary Randall, Clerk of the House of Representatives

FROM: Liesl Eichler Clark, Director 

DATE: October 19, 2021

SUBJECT: Biennial Report on Electronic Waste Recycling Fund Revenue and Expenses

In accordance with Sections 17303(9) and 17317(9) of Part 173, Electronics, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, attached is the Department of Environment, Great Lakes, and Energy's (EGLE) biennial report on the Electronic Waste Recycling Fund Revenue and Expenses for fiscal years 2020 and 2021.

If you need further information, please contact Elizabeth M. Browne, Director, Materials Management Division, at 517-284-6551; or you may contact me at 517-512-5992.

Attachment

cc/att: Mary Ann Cleary, Director, House Fiscal Agency  
Chris Harkins, Director, State Budget Office  
George W. Cook, III, Legislative Affairs Director, Governor's Office  
Ben Dawson, Senate Fiscal Agency  
Austin Scott, House Fiscal Agency  
Jacques McNeely, State Budget Office  
Ryan Doll, State Budget Office  
Aaron B. Keatley, Chief Deputy Director, EGLE  
Amy Epkey, Senior Deputy Director, EGLE  
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Jeff Spencer, EGLE  
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# Legislative Report

## Electronic Waste Recycling Fund Revenue and Expenses

Report Period:  
Fiscal Years 2020 and 2021

Authority:  
MCL 324.17303(9) and 324.17317(9)

The Department of Environment, Great Lakes, and Energy (EGLE) submits this report in accordance with Sections 17303(9) and 17317(9) of Part 173, Electronics, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended. Part 173 requires a biennial report that assesses the adequacy of the fees collected from manufacturers and recyclers of covered electronic devices and makes recommendations to modify those fees.

### Electronic Waste Fund (Fund) Revenue and Expenses

The Electronic Waste Takeback Program (Program) revenue is received from the annual registrations paid by computer, printer, and television manufacturers and recyclers. Manufacturers must pay \$3,000 per year, and electronics recyclers must pay \$2,000 per year. Program expenses include the costs associated with administering the law. Part 173 was signed into law in December 2008, and annual registrations were first required in October 2009.

Fund Summary		
	Fiscal Year 2020	Fiscal Year 2021
Beginning Fund Balance	\$345,210	\$363,978
Fund Revenue	\$268,318	\$276,724 (Projected)
Year-End Fund Balance on September 30	\$363,978	\$321,242 (Projected)

<b>Program Registrations</b>			
	<b>Fiscal Year 2020</b>	<b>Fiscal Year 2021</b>	<b>Annual Fee</b>
Manufacturer Registrations	76	70	\$3,000
Recycler Registrations	24	25	\$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; therefore, it will not exceed \$600,000 on December 31 of any year, as limited by Section 17303(6) of Part 173.

### **Fund Adequacy**

The Fund continues to be adequate for administering the current Program, which has a primary focus on community assistance, outreach, and compliance assistance. The Program’s staff consists of one full-time professional and one part-time administrative support staff. The focus of staff is supporting local communities that want to collect electronics regulated under Part 173. Inspection of electronics recyclers are conducted as time allows. The Program would benefit from adding inspection-related staff to assure that electronic collectors and recyclers receive adequate oversight.

### **Recommendations**

The funding is adequate to maintain the current Program. Due to deficiencies in the law, the Program does not adequately provide recycling support for many rural areas of Michigan. For the past three years, the Program has been assuring collection and recycling opportunities in these areas through a mini-grant program. The statute needs an update to remove that financial burden from EGLE and transfer it to the manufacturers, as was intended by the existing extended producer responsibility model law.

EGLE’s Materials Management Division staff have been working with a consortium of electronics manufacturers and interested parties to update the law for a program based on a convenience model, rather than the current voluntary goals weight-based model. The proposed model will provide services to residents across the state, rather than focusing on urban areas.

For additional information on Michigan’s Electronic Waste Takeback Law, Part 173, please visit: <http://www.michigan.gov/EGLEewaste>.