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March 1, 2021

Representative Paul Holvey, Chair Representative Daniel Bonham, Vice-Chair Representative Dacia Grayber, Vice-Chair Members, House Committee on Business and Labor 900 Court St. NE Salem, OR 97301

Re: Consumer Technology Association Opposition to House Bill 2698

Dear Chair Holvey, Vice-Chair Bonham, Vice-Chair Grayber, and Committee Members:

On behalf of the Consumer Technology Association (CTA), thank you for the opportunity to present testimony outlining our opposition to HB 2698. We are very concerned with this bill which would require manufacturers of electronic equipment to provide third parties with diagnostic and repair information, software, tools, and parts.

CTA is the trade association representing the U.S. consumer technology industry. Eighty percent of CTA's more than 2,200 member companies are small businesses and startups; others are among the world's best-known manufacturing and retail brands. Our member companies have long been recognized for their commitment and leadership in innovation and sustainability.

CTA is concerned with HB 2698 on several fronts, and many of those concerns are outlined in detail in the electronics manufacturers' opposition letter submitted separately for the hearing scheduled for February 17, 2021. In addition to the security and consumer safety issues outlined in that letter, our comments here will focus on the sustainability rationale for this legislation as articulated by some bill proponents. Proponents of this legislation argue that it will reduce landfilling of electronic waste in Oregon. However, this argument is based on misunderstanding the electronics use, reuse, and recycling ecosystem.

Oregon eCycles Already Diverts Electronics from Landfills

This statewide, 100% manufacturer-financed program is one of the most advanced electronics recycling programs in the country. And since 2007 <u>state law</u> has banned disposal of all computers, monitors and TVs – so these products are not being landfilled.

Mobile Devices Already Have a Thriving Repair and Reuse Market

Producer of



Mobile devices like smart phones are understood as inherently valuable and therefore are not routinely thrown in the trash. According to consumer surveys conducted by the Consumer Technology Association, only 2% of U.S. consumers throw old mobile devices in the trash in any given year – and more than 10 times that many traded in, donated, sold, or recycled those devices. The specific question and response percentages from the latest consumer survey conducted in 2019 are provided below:

Thinking over the PAST 12 MONTHS, have you or anyone in your household done any of the following with your mobile device? (READ LIST. RECORD AS MANY AS APPLY. WAIT FOR YES OR NO FOR EACH) [ROTATE 01-02]

- 01 Traded in your mobile device for another device
- 02 Sold your mobile device
- 03 Thrown your mobile device in the trash [DO NOT ASK; RECORD 'YES' IF R4H (1-20)]
- 04 Given away or donated your mobile device [DO NOT ASK; RECORD 'YES' IF R6H (1-20)]
- 05 Recycled your mobile device [DO NOT ASK; RECORD 'YES' IF R11H (1-20)] 95 OTHER (SPECIFY)
 - 98 NONE OF THESE
 - 99 DON'T KNOW

And below are respondent percentages:

Traded in your mobile device for another device	20%
Given away or donated your mobile device	7%
Sold your mobile device	6%
Recycled your mobile device	6%
Thrown your mobile device in the trash	2%
Other	1%

Given these data and the demand for used smart phones – if anyone is considering throwing their old smart phone in the trash, please reconsider because most still have economic value because of the reuse market – HB 2698 would not measurably decrease mobile device disposal.

Electronics - the Fastest Declining Product in the Municipal Solid Waste Stream

According to the U.S. EPA¹, electronics are the fastest-declining product in the municipal solid waste stream. The most recent EPA data show that consumer e-waste generation declined 5% from 2017 to 2018, and from 2015 to 2018 declined by 13%. This EPA data is corroborated by a recent study by Yale and Rochester Institute of Technology researchers

1

https://www.epa.gov/facts-and-figures-about-materials-waste-and-recycling/durable-goods-product-specificdata

which concludes that e-waste generation in the U.S. peaked in 2015 and is in a period of extended decline (see "<u>Electronic Waste on the Decline</u>, <u>New Study Finds</u>").

Conclusion

Last year, 26 states examined and rejected similar legislation. For the reasons listed above, and those further examined in the manufacturers' coalition letter we signed on to, we respectfully urge you to not move HB 2698 out of committee. Thank you again for the opportunity to present our concerns with this legislation. If you have any questions, please do not hesitate to contact me at walcorn@cta.tech.

Sincerely,

Walter Alcorn VP Environmental Affairs and Industry Sustainability Consumer Technology Association