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FISCAL IMPACT REPORT

	ORIGINAL DATE 2-4-06		
SPONSOR	Feldman	LAST UPDATED	HB _____
	ELECTRONIC WASTE RECYCLING PILOT		
SHORT TITLE	PROGRAM	SB	388
		ANALYST	Hadwiger

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	\$25.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Finance and Administration (DFA)

New Mexico Department of Environment (NMED)

SUMMARY

Synopsis of Bill

Senate Bill 388 appropriates \$25 thousand from the general fund to the New Mexico Department of Environment (NMED) for expenditure in FY07 to develop marketing, advertising and community education outreach programs for a voluntary statewide electronic waste collection and recycling pilot program. The appropriation would be contingent on matching funds or services on behalf of computer manufacturers and retailers to develop marketing and advertising programs for the pilot program.

FISCAL IMPLICATIONS

The appropriation of \$25 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY07 would revert to the general fund.

SIGNIFICANT ISSUES

DFA explained that electronic waste is classified as obsolete or unwanted computers, TVs, and

high tech equipment. These components contain a number of contaminants, such as lead, mercury and polychlorinated biphenyl. These contaminants can be released into a landfill when components are compacted and crushed. If the landfill is unlined, these contaminants can leach into groundwater. NMED is working with the computer manufacturers and retailers to divert electronic waste to recyclers for separation, recycling and reprocessing rather than landfill disposal. The recycling option protects groundwater and extends landfill life.

NMED added that the E-waste Task Force recommended funding from the Legislature, as well as from computer manufacturers/electronic retailers, for the promotion of pilot programs to be conducted in 2006 or FY07. SB388 would support the Task Force's request. Not all e-waste poses an environmental or health risk; however, some components, such as computer monitors (CRTs), can release very high levels of lead when crushed or broken. For example, some color computer monitors can contain as much as four pounds of lead per unit. Television tubes are pressurized and can explode if mishandled, posing a potential health risk to dismantlers or workers. Other e-wastes may contain mercury, cadmium and arsenic at low levels that can be released into the environment or groundwater when broken or crushed. Improper management of e-waste can have significant negative impacts in urban and rural areas in New Mexico due to the large volume of these materials that require management.

- In 1998, the U.S. Environmental Protection Agency (EPA) estimated that e-waste was approximately four percent of the total solid waste stream in the United States, and this waste is projected to grow two to three times faster than any other component of the waste stream.
- In 2002, the EPA estimated that every day Americans dispose of 3,000 tons of computers alone.
- The EPA also estimates that only about ten percent of e-waste is recycled.

Currently, in New Mexico, some voluntary e-waste collection programs are already established. The E-Waste Task Force found that a voluntary e-waste pilot-recycling program could be implemented quickly.

ADMINISTRATIVE IMPLICATIONS

DFA indicated the Solid Waste Bureau oversees solid waste facilities and recycling program. This bill is an extension of existing programs with no significant impact to the Bureau.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

SM14 encourages manufacturers and retailers of electronics to demonstrate their commitment to e-waste collection and recycling by offering financial support or equivalent resources.

DH/nt