

RE: Electronic Waste Recycling Act of 2003

In September 2003, the California Legislature passed the Electronics Waste Recovery Act (Act) (SB 20, Chapter 526, Statutes of 2003, Senator Sher). The law establishes an advanced recycling fee collected at the point of sale or lease. The funds will be used to provide financial relief to collectors and recyclers of "covered electronic wastes." This letter is to notify your company of this law and the products that are subject to the advanced recycling fee.

Covered electronic devices currently subject to the Act include all computer monitors and televisions that contain cathode ray tubes (CRTs) or liquid crystal display (LCD) monitors and laptop computers. Please visit Department of Toxic Substances website at <http://www.dtsc.ca.gov/HazardousWaste/CRTs/SB20.html> for more information on covered devices. The fee ranges from \$6.00 to \$10.00 depending on the size of the screen. (See excerpt from the law below.) We are required to collect the fee for applicable transactions effective July 1, 2004.

The full text of the law can be found at: www.leginfo.ca.gov. An excerpt is provided below.

Pursuant to this new law, we are required to impose a fee:

42464. (a) On and after July 1, 2004, a covered electronic waste recycling fee is hereby imposed upon the first sale in the state of a covered electronic device to a consumer by a retailer.

(b) A retailer that sells a covered electronic device to a consumer shall collect the fee imposed under subdivision (a) for each covered electronic device sold by the retailer in the following amounts:

(1) Six dollars (\$6) for each covered electronic device with a screen size of less than 15 inches measured diagonally.

(2) Eight dollars (\$8) for each covered electronic device with a screen size greater than or equal to 15 inches but less than 35 inches measured diagonally.

(3) Ten dollars (\$10) for each covered electronic device with a screen size greater than or equal to 35 inches measured diagonally.

(c) The electronic waste recycling fee collected pursuant to this section shall be transmitted to the board in accordance with a schedule and procedure that the board shall establish pursuant to Sections 42475 and 42475.2. The covered electronic waste recycling fees shall be deposited in the account pursuant to Section 42476.

Effective July 1st, 2004 any covered item shipped to California will be invoiced the appropriate advanced recycling fee as noted under the Electronics Waste Recovery Act (Act) (SB 20, Chapter 526, Statutes of 2003, Senator Sher).

Should you have questions, please contact me at 773.890.5900.

Sincerely,

Andrew Christmas
Controller
Hinda Incentives
2440 W 34th Street
Chicago, IL 60608