
A BILL FOR AN ACT

RELATING TO SUSTAINABLE ELECTRONICS MANAGEMENT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that use of electronic
2 devices has grown substantially over the past two decades, and
3 according to the United States Environmental Protection Agency,
4 Americans have generated approximately three million tons of
5 waste in consumer electronics goods per year during the last
6 decade.

7 The legislature finds that while recycling of electronic
8 devices prevents valuable materials from going into the waste
9 stream, preventing waste in the first place is preferable to any
10 waste management option. Donating used but still functioning
11 electronic devices for reuse extends the lives of valuable
12 products and keeps them out of the waste stream for a longer
13 duration. Donating used electronic devices also allows
14 recipients, such as schools, nonprofit organizations, and lower-
15 income families, to obtain equipment that they otherwise cannot
16 afford.



1 The purpose of this Act is to promote electronic
2 stewardship and reduce electronic waste in the State by
3 requiring all persons who receive state financial assistance to
4 donate unnecessary but functioning electronic devices to
5 nonprofit organizations that will refurbish and distribute them
6 to eligible persons in this State.

7 SECTION 2. The Hawaii Revised Statutes is amended by
8 adding a new chapter to be appropriately designated and to read
9 as follows:

10 "CHAPTER

11 ELECTRONIC DEVICE AND TELEVISION DONATION ACT

12 § -1 Short title. This chapter shall be known as the
13 "Electronic Hardware Donation Act".

14 § -2 Definitions. As used in this chapter, unless a
15 different meaning clearly appears from the context:

16 "Charitable, religious, or nonprofit organization" means
17 any organization that was organized and is operating in the
18 State for charitable or religious purposes or to promote social
19 welfare, which is exempt from income taxation under chapter 235.

20 "Covered electronic device" has the same meaning as in
21 section 339D-1 and includes enterprise information technology



1 hardware, including data storage devices, network equipment,
2 servers, and server racks.

3 "Covered entity" means a person receiving state funds and
4 state financial assistance; provided that any person who is
5 required to reuse the person's personal properties as excess or
6 surplus federal personal property under applicable federal law
7 and executive orders shall be excluded.

8 "Covered refurbisher" means an organization that:

- 9 (1) Is exempt from taxation under section 501(c)(3) of the
10 United States Internal Revenue Code;
- 11 (2) Is registered with the business registration division
12 of the department of commerce and consumer affairs to
13 conduct business in this State;
- 14 (3) Maintains a physical place of operation in this State
15 to receive and distribute excess electronic devices;
- 16 (4) Has the ability to repair, upgrade, and refurbish
17 excess electronic devices for use and distribute them
18 to eligible recipients under this chapter;
- 19 (5) Is registered with the department as a covered
20 refurbisher under this chapter; and



1 (6) Satisfies other criteria to operate as a covered
2 refurbisher under this chapter, as determined by the
3 department.

4 "Covered television" has the same meaning as in section
5 339D-1.

6 "Department" means the department of accounting and general
7 services.

8 "Excess electronic device" means any covered electronic
9 device or covered television that is:

- 10 (1) Owned and controlled by a covered entity;
- 11 (2) No longer necessary for the operations of the covered
12 entity, as determined by the covered entity; and
- 13 (3) Properly functioning or may be repaired, upgraded, or
14 refurbished for use by an eligible recipient, as
15 determined by the covered entity.

16 "Government entity" means any department, unit, or agency
17 of the federal, state, or county governments.

18 "Lease" means any transfer of the right to possession and
19 use of goods for a term in return for consideration.

20 "Person" means any individual, business, partnership,
21 limited liability company, corporation, nonprofit organization,



1 association, government entity, public benefit corporation, or
2 public authority.

3 "Refurbished device" means an excess electronic device that
4 has been refurbished by a covered refurbisher for the purpose of
5 distribution to an eligible recipient.

6 "Sell" or "sale" means any transfer of title to goods in
7 return for consideration.

8 "State financial assistance" includes grants, purchase-of-
9 service contracts, or any other arrangement by which the State
10 provides or otherwise makes available assistance in the form of
11 funds to the person for the purpose of rendering services to the
12 public; provided that the term shall not include funds obtained
13 based on procurement contracts, state insurance or guaranty
14 contracts, licenses, tax credits, or loan guarantees to private
15 businesses of general concern that do not render services on
16 behalf of the State.

17 **§ -3 Covered entity responsibility.** (a) No later
18 than , and at minimum, each year thereafter, a covered
19 entity shall:

20 (1) Identify any excess electronic device; and



1 (2) Transfer, as a charitable contribution, the title to
2 and possession of the excess electronic device to a
3 covered refurbisher at no cost to the covered
4 refurbisher.

5 The covered entity shall provide its name and contact
6 information to the covered refurbisher upon the transfer of
7 title and possession under this paragraph.

8 (b) A covered entity, prior to the transfer of an excess
9 electronic device under this section, shall remove from the
10 device data and any content that may be deemed inappropriate for
11 individuals under the age of eighteen, according to the rules
12 adopted by the department under this chapter. To the maximum
13 extent practicable, the covered entity shall remove data using a
14 means that does not remove, disable, or destroy critical
15 functions, or otherwise render the device unusable. The covered
16 entity shall be allowed to remove any data storage devices from
17 any covered device, prior to transferring the device to a
18 covered refurbisher.

19 (c) A covered entity, prior to the transfer of an excess
20 electronic device under this section, may request a covered
21 refurbisher to examine a covered electronic device or covered



1 television that is not functioning properly and determine if it
2 may be repaired, updated, or refurbished for use. If the
3 covered refurbisher determines that the device or television
4 cannot be repaired, updated, or refurbished for use, the covered
5 entity shall recycle it in compliance with applicable law.

6 (d) This chapter shall apply only to entities located in
7 counties having a population greater than seven hundred and
8 fifty thousand.

9 (e) No later than _____, and each year thereafter, a
10 covered entity shall report to the department, for each excess
11 electronic device it transferred to a covered refurbisher under
12 this section during the previous year:

- 13 (1) The type of device;
- 14 (2) The amount of charitable contribution the covered
15 entity claimed for the device;
- 16 (3) The name of the covered refurbisher who received the
17 device; and
- 18 (4) Any other information the department deems appropriate
19 under this chapter.

20 **§ -4 Covered refurbisher responsibility.** (a) A covered
21 refurbisher, upon receipt of title to and possession of an



1 excess electronic device from a covered entity under this
2 chapter, shall:

3 (1) Repair, upgrade, and refurbish the excess electronic
4 device for use, and transfer title to and possession
5 of the refurbished device to an eligible recipient at
6 a price no greater than \$50 for each refurbished
7 device; provided that enterprise hardware is exempted
8 from the \$50 cap; or

9 (2) Recycle the excess electronic device in compliance
10 with applicable law if it cannot be repaired,
11 upgraded, or refurbished for use.

12 (b) A covered refurbisher shall not be liable for
13 electronic data or other information remaining on an excess
14 electronic device that is contributed by a covered entity under
15 this chapter.

16 (c) A covered refurbisher, upon request from a covered
17 entity, shall examine a covered electronic device or covered
18 television and determine if it is functioning properly or may be
19 repaired, updated, or refurbished for use. If the covered
20 refurbisher determines that the device or television cannot be



1 repaired, updated, or refurbished for use, the covered entity
2 shall recycle it in compliance with applicable law.

3 (d) A covered refurbisher shall provide notice of
4 refurbished devices available for distribution to eligible
5 recipients by practicable means, such as newspapers, community
6 announcements, and the internet.

7 (e) No later than , and each year thereafter, a
8 covered refurbisher shall report to the department, for each
9 excess electronic device it received under this chapter during
10 the previous year:

11 (1) The name and contact information of the donating
12 covered entity;

13 (2) The type of device; and

14 (3) Any other information the department deems appropriate
15 under this chapter.

16 (f) No covered refurbisher shall sell or lease a covered
17 electronic device or covered television it receives from a
18 covered entity under this section except for sales of a
19 refurbished device to an eligible recipient under subsection
20 (a)(1).



1 **§ -5 Eligible recipients.** (a) A person is eligible to
2 receive title to and possession of a refurbished device under
3 this chapter; provided that the person is:

4 (1) A charitable, religious, or nonprofit organization;

5 (2) An individual who is:

6 (A) A resident of this State; and

7 (B) Determined to be in need in accordance with rules
8 adopted by the department under this chapter; or

9 (3) A covered entity that is a government entity.

10 (b) No person who received title to and possession of a
11 refurbished device under this chapter shall sell or lease the
12 device.

13 **§ -6 Department responsibility.** (a) Beginning
14 , the department shall maintain and update a website
15 with current information on covered refurbishers available in
16 the State. The department shall notify all covered entities of
17 their new responsibilities.

18 (b) No later than , and annually each year
19 thereafter, the department shall compile the information
20 submitted by covered refurbishers of the excess electronic



1 devices that were received and distributed during the previous
2 year, and submit a report to the legislature.

3 **§ -7 Regulatory authority.** The department shall
4 establish rules pursuant to chapter 91 to implement the purposes
5 of this chapter.

6 **§ -8 Enforcement; penalties.** (a) The department may
7 conduct inspections to determine compliance under this chapter.

8 (b) The attorney general may file suit in the name of the
9 State to enjoin an activity related to the sale or lease of
10 excess electronic devices in violation of this chapter.

11 (c) Any person in violation of this chapter may be
12 assessed a penalty of up to for the first violation and
13 up to for the second and each subsequent violation.

14 **§ -9 Administrative penalties; fees.** (a) The
15 department may impose administrative penalties.

16 (b) Notwithstanding subsection (a), the department shall
17 not assess any fees on the eligible recipients, covered
18 entities, or covered refurbishers for the acts of transferring
19 or receiving title to and possession of excess electronic
20 devices or refurbished devices under this chapter."



1 SECTION 3. If any provision of this Act, or the
2 application thereof to any person or circumstance, is held
3 invalid, the invalidity does not affect other provisions or
4 applications of the Act that can be given effect without the
5 invalid provision or application, and to this end the provisions
6 of this Act are severable.

7 SECTION 4. This Act shall take effect on July 1, 2050.



Report Title:

Electronic Hardware; Donation; Nonprofit Organizations; Reuse

Description:

Requires persons who receive state funds and state financial assistance to donate unnecessary but functioning electronic devices, hardware, and televisions to nonprofit organizations that will refurbish and distribute them to eligible persons in the State. Sets reporting requirements for donating entities, nonprofit refurbishers, and the Department of Accounting and General Services. Sets administrative penalties for violations. Effective 7/1/2050. (SD2)

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