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ENVIRONMENTAL AND RETAIL ALERT

e-Waste Recycling Act

On January 18, 2012, the Governor of Puerto Rico signed into law the Puerto Rico Electronic Equipment Recycling and Disposal Act ("e-Waste Recycling Act"), Act 18-2012. The e-Waste Recycling Act is aimed to reduce the generation and promote the recycling of e-Waste at the residential and commercial level by establishing an island-wide collection and recycling program for electronic products. With this legislation, Puerto Rico joins twenty (20) other states that have enacted laws to control e-Waste and encourage the recycling of electronic products.

The e-Waste Recycling Act prohibits any person from disposing of cathode ray tubes or electronic equipment ("e-Waste") in a municipal landfill or any place other than an authorized collection center under a Recycling and Disposal Plan to be approved by the Solid Waste Management Authority ("SWMA") and the Environmental Quality Board ("EQB"). Cell phones, TVs, cathode ray tubes, monitors, computers and accessory equipment, security cameras, printers, cartridges, videogame systems, GPS units, amplifiers, routers, watches, chronometers, among others, are subject to regulation under the e-Waste Recycling Act.

The e-Waste Recycling Act requires businesses and companies with eleven employees or more to develop a recycling, reutilization, and reconstruction program of all the electronic equipment used in their operations and to submit to the SWMA an annual report showing compliance with the law. Manufacturers, importers, and exclusive distributors of electronic products are responsible for the final disposal of the electronic product and for the coordination with retailers of their acceptance of e-Waste in the retail stores. Also, it requires retailers of electronic products to post and provide information to consumers about the recycling of e-Waste and their commitment to accept the electronic equipment once it is discarded.

Telephone, cable and internet service companies, manufacturers, importers, exclusive distributors, and retailers of electronic products and companies and businesses that receive e-Waste from consumers may obtain a Green Business Certificate from the SWMA. To receive this certificate, the applicant must implement a Recycling and Disposal Plan for the proper management of e-Waste.

The e-Waste Recycling Act classifies e-Waste as a special solid waste. Special solid wastes, such as used tires, used oil, biomedical waste and now e-Waste, are regulated by the EQB. According to the e-Waste Recycling Act, the EQB must promulgate regulations for the management, disposal, reutilization and recycling of electronic equipment. For its part, the SWMA will audit compliance with recycling programs and plans submitted by private companies, will collect data and develop statistics and strategies to reduce and manage e-Waste, and will develop an educational e-Waste recycling program.

Failure to comply with these requirements can result in penalties up to \$25,000 per violation for the first violation. The amount of the penalties can be increased to \$50,000 per violation for recurring violations. The requirements and prohibitions contained in the e-Waste Act shall be in full force and effect six (6) months after its date of enactment.

If you have any questions or comments, or wish additional information regarding the legislation discussed above, please contact any of the attorneys listed below.

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