

Press Release

Local Businessman to Testify in Opposition of LB583

Schrock Claims Bill is Poorly Written, will Hurt Nebraska Business

Lincoln, NE – February 20, 2007:

Local computer company owner Thor Schrock will testify on Thursday that LB583, the Electronics Recycling Systems Act, is a poorly written bill that will create confusion, will reduce the number of choices Nebraska consumers enjoy, and result in higher prices for consumer electronic goods.

Schrock owns Schrock Innovations, a local computer repair and software development company with offices in Lincoln and Omaha, NE. Schrock is concerned that his small business would be considered a manufacturer under the bill, even though the intent of the bill was not to do so.

“LB583 is written in such a way that a reasonable person could argue that a small business like mine is manufacturing computers for resale,” Schrock said. “This bill makes no differentiation between Schrock Innovations and Dell.”

The bill is designed to shift the burden of recycling costs from the shoulders of the consumer onto the manufacturer. The bill attempts to do this by taxing the manufacturers and then using the revenue collected to pay for the recycling of E-waste collected by recycling facilities. Schrock’s largest issue with the bill is that it poorly defines who a manufacturer is in relation to who a retailer is.

“The bill requires retailers to police what manufacturers have paid their taxes before we can sell their products,” he said. “The trouble is that in the world of computers many times the manufacturer and the retailer are one in the same. This bill could require small, local OEM manufacturers to register and pay a prohibitive tax to the state.”

Schrock Innovations has taken the lead in preventing E-waste from entering Nebraska's solid waste landfills. Last year, the company's self-initiated program routed more than 3 tons of E-waste away from the landfill to be recycled. Schrock said his company would likely abandon the program if LB583 becomes law.

"It costs us money to recycle computers for our customers, and we do not pass the majority of that cost on to them," he said. If LB583 passes, we will have to discontinue our industry-leading program to free up the funds required to pay the state the taxes it plans to levy under the bill."

There is a public meeting where citizens can testify for or against the proposed bill on Thursday, February 22, in room 1553 of the State Capitol Building at 1:30 PM. Schrock listed his planned complaints on his blog at www.thorschrock.com to help raise public awareness of the bill.

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