U.S. Midterm Elections Put Pennsylvania and Wisconsin E-Scrap Legislation in Focus, Federal Gridlock Looms

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New legislative majorities in Pennsylvania and Wisconsin could affect state electronics recycling programs, while federal initiatives face a divided government and potential legislative gridlock.

Democrats' victories in the November 3 midterm elections could alter the prospects for electronics recycling legislation in several states, particularly where divided legislatures have delayed reforms to collection programs and manufacturer responsibilities. With federal action constrained by divided government, greater state-level legislative activity could further expand the patchwork of recycling, battery stewardship and repair requirements that manufacturers and multistate operators must navigate.

The party captured both chambers of Congress and gained control of several state governments. Pennsylvania and Wisconsin stand out for their existing legislative agendas, while federal legislation will face President Donald Trump's veto authority and continued control over environmental and trade policy.

The most immediate developments are likely to emerge from state recycling programs and bipartisan federal initiatives involving domestic materials recovery. Enterprise IT asset disposition (ITAD) volumes will continue to depend primarily on technology replacement cycles and corporate spending.

Pennsylvania's recycling reform gains a clearer path

Pennsylvania presents one of the clearest opportunities for electronics recycling reform in 2027. The state's Covered Device Recycling Act, enacted in 2010, established manufacturer responsibilities for recycling certain consumer electronics. Collection access and program financing have remained persistent problems, prompting repeated attempts to revise the law.

House Bill 2553, sponsored by Rep. Lisa Borowski, proposed changes to manufacturer registration, recycling plans, reporting and enforcement. It also introduced a tiered manufacturer fee structure based on the weight of covered devices sold annually in Pennsylvania.

The bill advanced from the House Environmental and Natural Resource Protection Committee in June 2026 and was laid on the table on September 8, a procedural action that did not end consideration of the measure. Senate proposals, including SB 856, also addressed electronics recycling reform. Legislation that remains unenacted when the session expires November 30 will require reintroduction in 2027.

Democrats' capture of the Pennsylvania Senate removes a longstanding legislative obstacle. With control of both chambers and the governor's office, the party has a clearer path to negotiate reforms.

Manufacturer fees and collection convenience requirements will be central to those negotiations. A revised financing system could support additional collection activity and more predictable revenue for collectors and processors.

The primary effects would fall on consumer electronics recycling rather than enterprise ITAD, which operates through separately negotiated equipment recovery contracts.

Wisconsin prepares for E-Cycle rule changes

Wisconsin enters 2027 with an established manufacturer-supported recycling program and administrative changes already underway. The Wisconsin Natural Resources Board adopted revised E-Cycle rules in September 2026, implementing legislation enacted in 2024. The

changes expand eligible device categories, clarify shortfall-fee waiver standards and adjust the timing and calculation of manufacturer recycling targets. Digital music players and battery-operated wearable devices, including smart watches and fitness trackers, are among the newly eligible products.

The revisions do not increase manufacturer registration fees beyond those established under the 2024 legislation. Manufacturers that miss their recycling targets remain subject to shortfall fees ranging from 30 to 50 cents per pound. The new rules clarify the conditions under which those fees may be waived.

Legislative review is expected during the winter, with implementation anticipated around summer 2027. Democratic control of both chambers could influence that review and subsequent proposals involving additional electronics categories, battery stewardship and repair access.

Minnesota and other states face different policy choices

Minnesota’s return to unified Democratic control could lead to further changes in battery management and electronics collection. The state already enacted broad right-to-repair requirements during its previous Democratic trifecta.

Michigan and Nevada also emerged with Democratic trifectas, expanding opportunities for legislation involving recycling infrastructure and materials recovery.

New Democratic governors in Georgia, Iowa and Ohio face Republican-controlled legislatures. Their influence over environmental agencies and public-sector procurement could prove more consequential than major new recycling laws.

Texas has a different political balance. Governor-elect Gina Hinojosa will work with a Democratic House and Republican Senate, following Democrats’ capture of the House for the first time in more than two decades.

Democrats also gained control of both legislative chambers in New Hampshire, while North

Carolina remains divided, with a Democratic House and Republican Senate.

Federal legislation faces significant obstacles

Democratic control of Congress brings new leadership to committees overseeing environmental policy, trade and federal spending, but major changes will require cooperation with the Trump administration.

The new Congress convenes January 3, 2027. As of November 5, Democrats had secured 54 Senate seats against Republicans' 44, with contests in Alaska and Mississippi still uncalled. The party remains below the 60 votes generally needed to overcome a filibuster and the two-thirds threshold required to override a presidential veto.

The Secure E-Waste Export and Recycling Act (SEERA) could receive renewed attention. Reintroduced in 2025 by Republican Rep. Mario Díaz-Balart and Democratic Rep. Adriano Espaillat, the legislation seeks to restrict exports of certain electronic waste and encourage domestic processing. Earlier versions repeatedly failed to become law. One possible route in 2027 would involve attaching SEERA to broader defense or China-related competitiveness legislation.

The proposal divides the electronics recovery industry. Domestic processors support retaining materials and processing activity in the United States, while international reuse and refurbishment businesses are concerned about restrictions affecting legitimate secondary markets and equipment recovery values.

Critical minerals recovery offers bipartisan opportunities

Domestic critical minerals recovery remains an area of potential cooperation between Congress and the White House. Both parties have supported reducing dependence on

foreign sources of strategically important materials, particularly those associated with China.

Federal investment could strengthen domestic electronics processing, advanced separation and refining capacity. The central question is whether funding extends to collection and preprocessing operations that supply material to recovery facilities.

New refining capacity requires dependable feedstock. Investment concentrated downstream would leave collection economics and material preparation challenges unresolved.

Other federal initiatives face greater obstacles. The administration retains substantial authority over tariffs, EPA rulemaking and enforcement. Congressional Democrats can increase oversight, while budget confrontations could delay federal technology procurement and equipment disposition contracts.

Commercial Implications Across the Industry

The midterm elections have different implications for each segment of the electronics recovery industry, reflecting the policies under consideration and the markets they serve.

Enterprise ITAD remains largely insulated from changes in political control. Technology refresh cycles, AI infrastructure investment and cloud migration drive equipment retirements, while security requirements and residual asset values shape disposition decisions. These commercial drivers are largely independent of election outcomes, but changes in government procurement policies will have a more direct effect on contractors serving public agencies.

Consumer electronics recyclers have greater exposure to state legislation. Pennsylvania’s proposed reforms address the financing and accessibility of collection programs, with direct consequences for the volume of electronics entering formal recycling channels and the revenue available to process them.

For refurbishers and resellers, the legislative priorities are repair access and international trade. State right-to-repair requirements expand access to parts, tools and technical documentation, supporting the economics of equipment refurbishment. SEERA, by contrast, would restrict certain exports, affecting companies that depend on international buyers for used electronics.

Domestic metals recovery is closely tied to federal critical minerals policy. Investment in collection, preprocessing and refining determines how much recoverable material remains in the United States and the capacity available to process it. Electronics manufacturers face a separate issue as states revisit producer responsibility requirements and the financing of collection programs.

Pennsylvania’s 2027 legislative session and Wisconsin’s E-Cycle rule review will provide the first concrete indications of how the new political balance affects recycling programs. In Washington, SEERA and critical minerals funding remain the principal measures to monitor.

The election changes who writes and negotiates recycling legislation. The commercial impact will come from the fees manufacturers pay, the collection services states require, the export rules Congress adopts and the investments directed toward domestic recovery capacity.

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