
HOUSE BILL 2091

State of Washington 52nd Legislature 1991 Regular Session

By Representatives Rust and Horn.

Read first time February 22, 1991. Referred to Committee on
Environmental Affairs\Revenue.

1 AN ACT Relating to scrap metal recycling; adding a new chapter to
2 Title 70 RCW; and making an appropriation.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 NEW SECTION. **Sec. 1.** The legislature finds that:

5 (1) The scrap metal recycling industry in Washington state provides
6 important environmental, societal, and economic benefits to the
7 residents of this state;

8 (2) The scrap metal recycling industry diverts a significant
9 portion of this state's potential solid waste stream by recycling more
10 than nine hundred thirty-five thousand net tons of scrap metal
11 annually, thus extending the life of local landfills and conserving the
12 nonrenewable supply of iron ore and coal;

13 (3) Hazardous and toxic materials typically built-in to
14 automobiles, buses, trucks, appliances, and other bulk metal items
15 expose the scrap metal recycling industry to serious and undue

1 liability that threatens to make scrap metal recycling economically
2 infeasible; and

3 (4) The manufacturers of vehicles, appliances, and other bulk metal
4 items currently bear no cost or liability for the environmental
5 degradation caused by the hazardous and toxic components of their
6 products.

7 It is in the interest of the people of the state of Washington to
8 identify and implement practices that will mitigate the environmental
9 costs of managing scrap metal waste containing hazardous and toxic
10 components and to impose the costs of managing such components on
11 manufacturers.

12 NEW SECTION. **Sec. 2.** Unless the context clearly requires
13 otherwise, the definitions in this section apply throughout this
14 chapter.

15 (1) "Department" means the department of ecology.

16 (2) "Director" means the director of the department of ecology.

17 (3) "Recycling" means transforming or remanufacturing waste
18 materials into usable or marketable materials for use other than
19 landfill disposal or incineration.

20 (4) "Scrap metal" means waste materials from durable goods such as
21 motor vehicles and major appliances that contain sufficient ferrous and
22 nonferrous metals to justify recycling.

23 (5) "Motor vehicle" is as defined in RCW 82.44.010.

24 (6) "New motor vehicle" and "new motor vehicle dealer" is as
25 defined in RCW 46.96.020.

26 (7) "Purchase price" means the price paid by a new motor vehicle
27 dealer to a manufacturer, or distribution company of a manufacturer for
28 a motor vehicle delivered to the dealer for subsequent resale.

1 (8) "Major appliances" means an appliance intended primarily for
2 household use employing electricity, natural gas, or a liquefied
3 petroleum gas to supply heat or motive power to preserve or cook food,
4 to wash clothing, dishes, or other related items, or to cool or heat
5 air or water. "Major appliance" includes, but is not limited to,
6 clothes washing machines, clothes dryers, dishwashers, ovens, air
7 conditioners, water conditioners, and water heaters.

8 (9) "New major appliances" means a major appliance which has not
9 previously been sold to a consumer.

10 (10) "New major appliance retailer" means a major appliance dealer
11 engaged in the business of selling new major appliances to consumers.

12 (11) "Consumer" means any person who purchases a new major
13 appliance for their own use.

14 (12) "Scrap metal processor" means an entity, operating within the
15 state, that processes two hundred thousand or more tons of scrap metal
16 per year.

17 NEW SECTION. **Sec. 3.** An excise tax is imposed upon the
18 privilege of the selling of new motor vehicles by manufacturers or the
19 distribution companies of manufacturers to new motor vehicle dealers in
20 the state. The amount of the excise tax shall be ten one-hundredths
21 percent of the purchase price of such vehicle.

22 NEW SECTION. **Sec. 4.** An excise tax is imposed upon the
23 privilege of the selling of any new major appliance by either the
24 manufacturer, distributing companies of a manufacturer, or wholesaler
25 to a new major appliance retailer in the state. The amount of such
26 excise tax shall be fifteen dollars per appliance.

1 NEW SECTION. **Sec. 5.** All of the provisions contained in
2 chapter 82.32 RCW shall have full force and application with respect to
3 the excise taxes imposed under this chapter, including the rule-making
4 authority contained in RCW 82.32.300. The taxes imposed by this
5 chapter shall be subject to the return requirements imposed by RCW
6 82.32.045.

7 NEW SECTION. **Sec. 6.** The scrap metal recycling account is
8 created within the state treasury. All fees, fines, and other funds
9 collected or received under this chapter shall be deposited in the
10 scrap metal recycling account. Expenditures from the account may be
11 used only for the administration and implementation of this chapter.
12 Moneys in the account may be spent only after appropriation.

13 NEW SECTION. **Sec. 7.** (1) The department may enter into
14 contracts with scrap metal processors for the following purposes:

15 (a) Increasing the collection and processing of scrap metal
16 generated within the state. Such increase shall be no less than five
17 percent per biennium; and

18 (b) Implementing a system to recycle or properly dispose of all
19 hazardous waste entering scrap metal processing facilities.

20 (2) Contracts entered into under subsection (1) of this section
21 shall provide for a minimum payment, by the department to scrap metal
22 processors, for each ton of metal generated and processed within this
23 state by a scrap metal processor. Such payments shall not exceed the
24 total amount of funds within the scrap metal account created under
25 section 6 of this act. In the event that a scrap metal processor does
26 not meet the contractual obligations as may be specified by the
27 department under subsection (1) of this section, all funds that would

1 otherwise have been paid to the scrap metal processor shall be
2 deposited in the general fund.

3 (3) By July 1, 1993, the department shall report to the appropriate
4 standing committees of the legislature on the effectiveness of such
5 contracts to:

6 (a) Increase the quantity of scrap metal processed within the
7 state; and

8 (b) Promote proper management of dangerous wastes associated with
9 scrap metal processing.

10 NEW SECTION. **Sec. 8.** The sum of dollars, or as
11 much thereof as may be necessary, is appropriated for the biennium
12 ending June 30, 1993, from the scrap metal recycling account to the
13 department of ecology for the purposes under section 7 of this act.

14 NEW SECTION. **Sec. 9.** Sections 1 through 7 of this act shall
15 constitute a new chapter in Title 70 RCW.