

# HOUSE BILL REPORT

## HB 1522

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**As Reported by House Committee On:**  
Environmental Health  
General Government Appropriations

**Title:** An act relating to repair and reuse of electronic products by registered collectors.

**Brief Description:** Regarding repair and reuse of electronic products by registered collectors.

**Sponsors:** Representatives Hudgins, Dunshee, Hunt, Hasegawa, Williams and Chase.

**Brief History:**

**Committee Activity:**

Environmental Health: 2/11/09, 2/19/09 [DPS];

General Government Appropriations: 2/26/09 [DP2S(w/o sub ENVH)].

**Brief Summary of Second Substitute Bill**

- Allows registered collectors to make minor repairs to computers they collect under an electronic produce recycling plan and sell or donate them for reuse.

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### HOUSE COMMITTEE ON ENVIRONMENTAL HEALTH

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 10 members: Representatives Campbell, Chair; Chase, Vice Chair; Shea, Ranking Minority Member; Orcutt, Assistant Ranking Minority Member; Dickerson, Dunshee, Finn, Hudgins, Kretz and Rolfes.

**Staff:** Pam Madson (786-7111)

**Background:**

Beginning in 2009 a program was implemented that provides free recycling of computers, monitors, laptops, and televisions for households, charities, small businesses, school districts, and small governments. The recycling program is funded by manufacturers of these products. All manufacturers currently participate in the standard recycling program under the Washington Materials Management and Financing Authority. Products may not be sold in Washington unless the manufacturer participates in an approved plan.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

The Department of Ecology (DOE) adopted rules to implement the plan and set performance standards for those who collect, transport, and process products covered by the plan.

Under the rule, collectors who participate in the plan must be registered as collectors and they must submit what they collect under the plan for recycling. They are compensated for products they collect and submit for recycling. Collectors may take fully functional products and components for reuse rather than recycling. If products are taken for reuse, collectors may not receive compensation for them under the plan. This provision of the rule has been interpreted to exclude repair of a unit making it available for reuse.

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**Summary of Substitute Bill:**

Collectors under a recycling plan must be registered and must submit the products they receive to the plan except for fully functional products. Products in working order may be sold or donated for reuse.

Computers that require repair may be refurbished by a registered collector at the collector's place of business. A registered collector may use parts taken from products collected under the plan but the remaining parts must be recycled under the plan. Repair may include new parts or used parts from computers they collect on a part-for-part exchange.

Collectors may not be compensated by the plan for products they take for reuse. They must maintain records of the sales and donations of reused computers for three years.

Collectors must display notice at the point of collection that computers may be repaired and resold or donated rather than recycled.

**Substitute Bill Compared to Original Bill:**

The substitute bill clarifies that registered collectors may repair computers for reuse, but not computer related equipment. Repair is not qualified as minor and it must take place at the collector's place of business. Repair using parts from a computer collected for recycle must be a part-for-part exchange with the repaired computer. Repair may include new parts. The reporting requirement is removed but registered collectors must maintain records of sales or donations for a period of three years. Registered collectors must display notice at the point of collection that computers may be repaired and sold or donated for reuse rather than recycled.

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**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date of Substitute Bill:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.

**Staff Summary of Public Testimony:**

(In support) The Legislature passed a ground-breaking law on electronics recycling. It was designed to keep electronics out of landfills and from being shipped overseas and creating contaminated waste in developing countries. Rules were developed to implement the law but the rule did not recognize reuse. The bill is an attempt to narrowly target what is a fully functional unit under the rule to allow reuse of collected computers that can be repaired. The intent is to maintain the current recycling program and not provide a diversion from the program for collected computers. The electronic waste (e-waste) program does not address reuse and it should. Computer repair for reuse provides an important experience for volunteers who learn skills and may receive used computers in exchange for volunteering. Concerns will continue to be addressed as the bill is worked.

(With concerns) Collectors who are not presently signed up with the state plan may not be able to continue to act as collectors outside the plan under the language of the bill. Recycling is good but reuse is better. It saves resources to reuse computers and should be encouraged. The reporting requirement may act as a deterrent to those reuse organizations that continue to repair and reuse computers. It is important to maintain a strong distinction in the e-waste recycling program between collectors and processors. Collection should be easy and convenient to consumers. Processors are much more heavily regulated. Reporting requirements may be burdensome for some collectors. Wholesale sales for reuse are the sales most likely to be involved in export. The reporting should exclude retail sales and donations to charity. This reduces cost to the state and to collectors. There is no protection for people's data on computers that will be resold. Any requirement for exchange of used parts for used parts doesn't address computers that are collected with missing parts. It should be clear that any non-working parts removed from a collected computer must also be submitted to the recycle plan. A definition of minor repair is not necessary because there is no distinction between repair and minor repair for a computer. There is very little value in collected televisions and monitors relative to computers. Standards that currently address reuse for processors could be incorporated for collectors involved in reuse.

(Neutral) This bill attempts to address reuse, which is a higher waste management activity than recycling. The DOE wants to see the continued success of the electronic recycling program. Concerns include making sure that the repair and recycling is only for computers, making sure that non-working gleaned parts are replaced with working parts, and making sure that the remaining parts and units stay in the recycle program. The bill needs a definition of minor repair so repair doesn't expand to wholesale reuse.

(Opposed) None.

**Persons Testifying:** (In support) Representative Hudgins, prime sponsor; Charles Brennick, Martha Ann, and Linda Porter, Interconnection; and Mark Dabek, RE•PC.

(With concerns) Martin Passmore, ReLectronics; Steve Hess, RE·PC; Mark St. John; Craig Lorch, Total Reclaim; Phil Watkins, Goodwill Industries; and Suellen Mele, Washington Citizens for Resource Conservation.

(Neutral) Laurie Davies, Department of Ecology.

**Persons Signed In To Testify But Not Testifying:** None.

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## HOUSE COMMITTEE ON GENERAL GOVERNMENT APPROPRIATIONS

**Majority Report:** The second substitute bill be substituted therefor and the second substitute bill do pass and do not pass the substitute bill by Committee on Environmental Health. Signed by 13 members: Representatives Darneille, Chair; Takko, Vice Chair; McCune, Ranking Minority Member; Hinkle, Assistant Ranking Minority Member; Blake, Dunshee, Hudgins, Kenney, Pedersen, Sells, Short, Van De Wege and Williams.

**Minority Report:** Do not pass. Signed by 1 member: Representative Armstrong.

**Staff:** Owen Rowe (786-7391)

### **Summary of Recommendation of Committee On General Government Appropriations Compared to Recommendation of Committee On Environmental Health:**

The second substitute bill authorizes the Washington Materials Management and Financing Authority, another authorized party, or the Department of Ecology to conduct site visits to registered collectors to ensure that computers taken for repair and reuse comply with the requirements of the electronic product recycling law.

**Appropriation:** None.

**Fiscal Note:** Requested on February 24, 2009.

**Effective Date of Second Substitute Bill:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.

### **Staff Summary of Public Testimony:**

(In support) People who repair and refurbish computers are currently not able to participate in the state's electronic recycling program. This bill will allow them to participate. The most recent draft of this bill has the support of the Department of Ecology, electronic manufacturers, and electronics and computer repair people. This bill was voted out of the policy committee with bipartisan support.

(Opposed) None.

**Persons Testifying:** Representative Hudgins, prime sponsor; and Lew McMurrin, Washington Technology Industry Association.

**Persons Signed In To Testify But Not Testifying:** None.