

# SENATE BILL REPORT

## SB 6336

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As of February 2, 2012

**Title:** An act relating to electronic product recycling.

**Brief Description:** Regarding electronic product recycling.

**Sponsors:** Senator Pridemore.

**Brief History:**

**Committee Activity:** Environment: 1/31/12.

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### SENATE COMMITTEE ON ENVIRONMENT

**Staff:** Diane Smith (786-7410)

**Background:** In 2006 a manufacturer-financed system was established for collecting, transporting, and recycling covered electronic products (CEPs) discarded by households, charities, school districts, small businesses, and governments. CEPs include computer monitors, desktop computers, laptop or portable computers, and televisions. CEP televisions and computer monitors have screens with a viewable area greater than four inches when measured diagonally. Manufacturers may not sell or offer to sell a CEP in or into Washington unless they participate in a collecting, transporting, and recycling plan approved by the Department of Ecology (DOE).

Manufacturers may participate in the standard plan operated by the Washington Materials Management and Financing Authority (Authority) or in an independent plan.

A manufacturer must obtain approval from DOE to participate in an independent plan. An independent plan may be submitted to DOE by a manufacturer or group of manufacturers representing at least 5 percent of the return share of CEPs. Participants may not be new entrants or white box (unbranded product) manufacturers.

DOE must annually determine a manufacturer's return share based on weight of CEPs identified for that manufacturer. DOE must annually determine a manufacturer's equivalent share through a calculation comparing the manufacturer's return share to the total weight in pounds of CEPs collected for that year.

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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.*

DOE must review submitted plans within 90 days and notify persons with letters of approval, or, if it rejects a plan, provide reasons for doing so. The Authority or independent plans then have 60 days to submit a new plan. Plans must be updated at least every five years. If a plan fails to meet certain requirements, updates must be submitted to DOE describing adjustments.

**Summary of Bill:** The current requirement that an independent plan represent at least a 5 percent return share of CEPs applies for the program years 2009 through 2012. Beginning in program year 2013, each independent plan must represent at least a 3 percent market share of CEPs and apportion its costs among its participating manufacturers based on market share.

If DOE does not approve an independent plan, it must detail all deficiencies in writing within 30 days of submission. The independent plan then has 30 days to address the deficiencies and update its plan.

If an independent plan's recovery rate does not match the recovery rate of the standard plan within two years, DOE must withdraw its approval of the plan and the members of the independent plan must join the standard plan.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO: Applying the same return-share to the independent plans would fix the bill.

CON: The bill allows independent plans to use a way to calculate the costs that are assessed to the members of the product stewardship organization (PSO), that is different from the assessment calculation required of the standard plan. Producers could opt into the independent plan if it is financially more advantageous to them, taking their money and leaving their material to be recycled by the plan they no longer belong to. This gaming the system could ruin the financial viability of the current plan.

**Persons Testifying:** PRO: David Michener, Waste Management.

CON: Miles Kuntz, DOE; John Friedrich, WA Materials Management and Financial Authority; Craig Lerch, Total Reclaim; Tiffany Hatch; Seattle Goodwill.