

# SENATE BILL REPORT

## SB 6336

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As Reported by Senate Committee On:  
Environment, February 3, 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, 2/03/12 [DPS, DNP].

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### SENATE COMMITTEE ON ENVIRONMENT

**Majority Report:** That Substitute Senate Bill No. 6336 be substituted therefor, and the substitute bill do pass.

Signed by Senators Nelson, Chair; Rolfes, Vice Chair; Ericksen, Ranking Minority Member; Chase, Fraser, Morton and Pridemore.

**Minority Report:** Do not pass.

Signed by Senator Honeyford.

**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

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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.

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 (Recommended Substitute):** 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.

**EFFECT OF CHANGES MADE BY ENVIRONMENT COMMITTEE (Recommended Substitute):** Beginning in 2013, independent plans must represent a 3 percent market share instead of the current 5 percent. All other provisions of the original bill are removed.

The provisions removed are apportionment of costs by market share, changes to DOE's process for addressing plans it rejects; and the requirement that the independent plan must match the standard plan's rate of recovery within two years.

**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 on Original Bill:** 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.