

SENATE BILL REPORT

SB 6538

As Reported by Senate Committee On:
Environment, February 3, 2012

Title: An act relating to stewardship of household mercury-containing lamps.

Brief Description: Concerning the stewardship of household mercury-containing lamps.

Sponsors: Senators Pridemore and Nelson.

Brief History:

Committee Activity: Environment: 2/01/12, 2/03/12 [DPS].

SENATE COMMITTEE ON ENVIRONMENT

Majority Report: That Substitute Senate Bill No. 6538 be substituted therefor, and the substitute bill do pass.

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

Staff: Jan Odano (786-7486)

Background: All mercury-containing lights must be recycled beginning January 1, 2013. Mercury-containing lights may not be disposed of in waste incinerators or landfills.

Every producer of mercury-containing lights sold in or into Washington for residential use must fully finance and participate in a product stewardship program; financing includes the Department of Ecology's (DOE) costs for administering and enforcing the program. A producer, wholesaler, retailer, or distributor may not offer for sale or distribute mercury-containing lights (lamps, bulbs, tubes, or other devices containing mercury and providing illumination) unless the producer is participating in an approved product stewardship program. All product stewardship organizations must be approved and contracted by DOE but the product stewardship program is operated by a product stewardship organization.

Product stewardship programs must be fully implemented by January 1, 2013.

Summary of Bill: The bill as referred to committee not considered.

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.

Summary of Bill (Recommended Substitute): Producers and product stewardship organizations operated by producers or contracted by DOE are authorized to finance their product stewardship programs using an environmental handling assessment. Producers of residential mercury-containing lights may add an environmental handling assessment to the cost of mercury-containing lights sold to wholesalers, distributors, and retailers. Wholesalers, distributors, and retailers may add the environmental handling assessment to the purchase price of these lights sold in or into the state. The funds collected may not exceed the cost of the product stewardship program, however the funds collected may include reasonable reserves for projected recycling of mercury-containing lights. The producer is responsible for collecting and remitting the assessment to the product stewardship organization.

When a product stewardship organization implements an environmental handling assessment, the organization must provide an annual audit to DOE.

The Legislature finds that manufacturers of mercury-containing lights may need flexibility to sustainably fund product stewardship programs. Additionally, the Legislature intends to exempt producers, product stewardship programs, and organizations from state antitrust laws and to provide immunity from federal antitrust laws.

EFFECT OF CHANGES MADE BY ENVIRONMENT COMMITTEE (Recommended Substitute as Passed Committee): Clarifies that producers of residential mercury-containing lights may use an environmental handling assessment to finance product stewardship programs.

Allows funds collected to include reasonable reserves for projected recycling of mercury-containing lights.

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 as Heard in Committee: PRO: There is a need to be explicit in statute to allow manufacturers to assess a handling fee to finance the product stewardship program. This will allow manufacturers to work with wholesalers, retailers, and distributors and provides antitrust protections. Product stewardship provides an important benefit to the citizens of the state by recycling hazardous mercury-containing lights. The current law does allow for this type of financing but this bill does clarify that this assessment is one way to fund the program. The provisions in the bill are similar to a system in British Columbia that includes a pass-through fee.

OTHER: The bill needs to clarify that the product stewardship program is for residential or household use. Retailers would rather have the cost imbedded in the price of the lights rather than being required to collect the assessment.

Persons Testifying: PRO: Charlie Brown, National Electrical Manufacturers Assn. NW; Margaret Shield, Local Hazardous Waste Management Program, King CO; Suellen Mele, Zero Waste WA.

OTHER: Mark Johnson, WA Retail Assn.; Craig Lorch, Ecolights.