Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Environment Committee

SB 5658

Brief Description: Concerning mercury-containing lights.

Sponsors: Senators Ericksen, McAuliffe and Hobbs.

Brief Summary of Bill

- Repeals the mercury-containing lights stewardship program, and replaces it with a requirement for producers of mercury-containing lights to pay up to a \$10,000 registration fee to reimburse the costs of transporting and recycling mercury-containing lights, as well as up to a \$5,000 fee to cover the Department of Ecology's administration and enforcement costs.
- Delays from January 1, 2013 to January 1, 2014 the start of the requirement for producers to finance mercury-light recycling, and establishes an expiration date of December 31, 2025 for the newly-created annual light recycling registration and administration fees.

Hearing Date: 3/27/13

Staff: Jacob Lipson (786-7196).

Background:

In 2010 the Legislature passed a law requiring producers of mercury-containing lights to create a stewardship program responsible for the collection, recycling, and disposal of mercury containing lights, including compact fluorescent lights. The program is to operate pursuant to either: (a) an independent plan or plans developed by producers; or (b) a state-developed plan which will contract with a stewardship organization. After January 1, 2013, a producer who is not participating in a stewardship program whose plan has been approved by the Department of Ecology (DOE) is prohibited from selling mercury-containing lights. The DOE is responsible for reviewing and approving producer-submitted plans, and, after a stewardship program is operational, for ensuring programmatic compliance with the producer-submitted 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.

Components of the Mercury-Containing Lights Stewardship Program.

As of January 1, 2013, users of mercury-containing lights are required to recycle their mercury-containing lights through the product stewardship program, and are prohibited from disposing of mercury-containing lights through traditional waste collection systems.

Manufacturers of mercury-containing lights identified by the DOE as out of compliance with plan participation or program operation requirements will be prohibited from making sales in Washington, and retailers will likewise be forbidden to purchase and stock the products of noncompliant manufacturers.

Program Funding.

If producers elect to develop their own stewardship plan, the DOE's administrative costs will be covered by an annual \$5,000 registration fee. Producers additionally will designate a financing mechanism within their approved plan to allocate program operational costs among producers, which must pay for the full costs of program operation.

If producers do not develop a DOE-approved plan, producers are required to participate in a state-contracted plan. Under this scenario, the DOE charges producers a fee of \$15,000, of which \$5,000 is retained to cover administrative costs, with the remainder to be contracted for a product stewardship program to be operated by a product stewardship organization. Under both the producer-developed plan scenario and the state-contracted plan scenario, it will be free for anyone to dispose of up to 15 lights every 90 days through the stewardship program.

Stewardship Plan Development and Program Implementation.

On November 16, 2012, the DOE issued a final rule governing the implementation of the mercury-containing light stewardship program. In advance of the January 1, 2013 stewardship program implementation deadline included in the 2010 authorizing legislation, the DOE contracted with a stewardship organization to develop and set up a mercury-containing lights stewardship program. There is not a mercury-containing light recycling program that is currently operating pursuant to the law; however, on March 8, 2013, the DOE announced the selection of EcoLights NW, LLC as the stewardship contractor that will implement the program.

Summary of Bill:

The mercury-containing lights stewardship program is repealed, as is the requirement for producers of mercury containing lights to participate in the stewardship program.

Each producer of mercury-containing lights sold in Washington must pay the DOE a registration fee not to exceed \$10,000 to reimburse unspecified parties for costs of recycling and transporting unwanted mercury-containing lights from single or multifamily households. In addition to the \$10,000 registration fee, every producer must also pay an administration fee not to exceed \$5,000 for DOE's administration and enforcement costs. The DOE may adopt rules to equitably scale both the registration and administration fees among producers, taking into consideration producers' estimated sales volumes.

Beginning January 1, 2014, a producer, wholesaler, retailer, or distributor may not offer for sale or distribute mercury-containing lights unless the producer has paid the registration and administration fees. The fees expire December 31, 2025.

A retailer of fluorescent lamps may provide an informational notice about the energy and environmental benefits and proper disposal of fluorescent lights. At the request of a retailer, producers must provide free of charge the informational notice for use at the retail establishment.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is

passed.