SENATE BILL REPORT SB 5699

As Reported by Senate Committee On: Energy, Environment & Telecommunications, February 19, 2013

Title: An act relating to electronic product recycling.

Brief Description: Concerning electronic product recycling.

Sponsors: Senators Ericksen and Kline.

Brief History:

Committee Activity: Energy, Environment & Telecommunications: 2/19/13 [DP].

SENATE COMMITTEE ON ENERGY, ENVIRONMENT & TELECOMMUNICATIONS

Majority Report: Do pass.

Signed by Senators Ericksen, Chair; Sheldon, Vice Chair; Ranker, Ranking Member; Billig, Brown, Chase, Cleveland, Honeyford and Litzow.

Staff: Jan Odano (786-7486)

Background: Beginning in 2009, the E-Cycle Washington program was implemented. E-Cycle 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 of a covered electronic product (CEP) sold in or into the state must participate in a 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. Manufacturers of a CEP include entities that:

- have legal ownership of the brand, brand name, or cobrand of a CEP;
- import a CEP branded by a manufacturer that has no physical presence in the United States; and
- sell at retail an imported CEP and chooses to register in place of the manufacturer.

Manufacturers of CEPs previously sold in or into the state must participate in the program.

Summary of Bill: A licensor is not required to participate in an independent or standard plan for recycling electronic products. A licensor is defined as a person who licenses or licenses

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through affiliate names, images, or intellectual property to a manufacturer of CEPs but does not personally manufacturer, assemble, or resell CEPs. A licensor may not be considered a manufacturer of CEPs.

Appropriation: None.

Fiscal Note: Available.

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: The bill clarifies that if a covered electronic product has an image or logo, the company licensing the image is not a manufacturer of a covered electronic product. We need to ensure that under the license agreement, the licensor of logos is not required to participate in the recycling program.

OTHER: The law was never intended to impact this group. The bill may have unintended consequences of shifting financial burden to others who have to pay for orphan products. This could be resolved in the licensing agreement between the licensor and licensee.

Persons Testifying: PRO: Senator Billig, prime sponsor; TK Bentler, Motion Picture Assn.

OTHER: Suellen Mele, Zero Waste WA; Laurie Davies, Dept. of Ecology