

SENATE BILL REPORT

SB 5175

As Reported by Senate Committee On:
Environment, Energy & Technology, February 7, 2025

Title: An act relating to the photovoltaic module stewardship and takeback program.

Brief Description: Concerning the photovoltaic module stewardship and takeback program.

Sponsors: Senators Shewmake, Hasegawa, Nobles and Wellman; by request of Department of Ecology.

Brief History:

Committee Activity: Environment, Energy & Technology: 1/17/25, 2/07/25 [DPS-WM, w/oRec].

Brief Summary of First Substitute Bill

- Provides new effective dates for implementation of the Photovoltaic Module Stewardship and Takeback Program.
- Establishes a photovoltaic module advisory committee.

SENATE COMMITTEE ON ENVIRONMENT, ENERGY & TECHNOLOGY

Majority Report: That Substitute Senate Bill No. 5175 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Shewmake, Chair; Slatter, Vice Chair; Boehnke, Ranking Member; Dhingra, Harris, Liias, Lovelett, MacEwen, Ramos and Wellman.

Minority Report: That it be referred without recommendation.

Signed by Senator Short.

Staff: Alicia Kinne-Clawson (786-7407)

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Background: Photovoltaic Module Stewardship and Takeback Program. In 2017, the Legislature created the Photovoltaic (PV) Module Stewardship Program, which requires manufacturers of solar panels, also known as PV modules, to provide the public a convenient and environmentally sound way to recycle all modules purchased after July 1, 2017. Department of Ecology (Ecology) oversees the program.

Each manufacturer must prepare and submit a stewardship plan to Ecology by July 1, 2024, or within 30 days of its first sale of a PV module in or into the state. The stewardship plan must:

- describe how manufacturers will finance the takeback and recycling system;
- accept all of the manufacturer's PV modules sold in or into the state after July 1, 2017;
- describe how the program will minimize the release of hazardous substances and maximize the recovery of other components;
- provide for takeback of PV modules;
- identify how relevant stakeholders will receive information; and
- establish performance goals.

Beginning April 1, 2026, and by April 1st in each subsequent year, each manufacturer, or its designated stewardship organization, must provide a report to Ecology, for the previous calendar year, that documents the plan's implementation and assesses the achievement of performance goals outlined in the stewardship plan.

Beginning July 1, 2025, no manufacturer, distributor, retailer, or installer may sell or offer for sale a PV module in or into the state unless the manufacturer of the PV module has submitted to Ecology a stewardship plan and received plan approval.

Summary of Bill (First Substitute): Photovoltaic Module Stewardship and Takeback Program. Each manufacturer must prepare and submit a PV module stewardship plan to Ecology by January 31, 2028, or within 30 days of its first sale of a PV module in or into the state, whichever is later.

After the first year of program implementation, rather than April 1, 2025, a manufacturer, or its designated stewardship organization, must provide to Ecology a report for the previous calendar year that documents implementation and performance of the program.

Beginning January 31, 2029, rather than July 1, 2025, no manufacturer, distributor, retailer, or installer may sell or offer for sale a PV module in or into the state unless the PV module manufacturer submits a stewardship plan to Ecology and receives approval for the plan.

Photovoltaic Module Advisory Committee. Ecology must establish a PV module advisory committee and contract with a consultant for administration of the committee. The consultant must:

- provide staff support;

- hire subcontractors, as needed, for research of any issues related to the PV module program; and
- draft and submit a report by June 1, 2026, to Ecology containing the recommendations of the advisory committee.

Advisory committee membership includes, but is not limited to:

- tribal entities;
- representatives for city and county associations;
- an environmental nonprofit;
- an entity with environmental justice expertise;
- a solid waste collection or processing company;
- an electric utility;
- a PV module manufacturer, distributor, installer, and developer;
- PV module recycling expertise;
- a labor organization representing works in the electrical industry;
- Ecology; and
- the Department of Commerce.

Responsibilities of the advisory committee include, but are not limited to developing recommendations for a safe, convenient, environmentally sound system where manufacturers finance the takeback and recycling system for recycling the PV modules. The recommendations must consider polices and laws related to PV module stewardship, potential environmental and health impacts on overburdened communities and vulnerable populations, any work from other applicable advisory committees, and information and research provided by the consultant. The advisory committee must review and comment on the consultants report to Ecology.

By December 1, 2026, Ecology must submit a report to the appropriate committees of the Legislature summarizing the work of the consultant and the advisory committee.

This act contains an emergency clause.

EFFECT OF CHANGES MADE BY ENVIRONMENT, ENERGY & TECHNOLOGY COMMITTEE (First Substitute):

Modifies the membership of the PV module advisory group.

Appropriation: None.

Fiscal Note: Requested on January 13, 2025.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: The bill contains an emergency clause and takes effect on June 30, 2025.

Staff Summary of Public Testimony on Original Bill: *The committee recommended a different version of the bill than what was heard.* PRO: We are the only state with a PV stewardship program. It's very hard to figure out how to recycle these panels. We had previously planned to pull together a workgroup to figure this out and that was vetoed. If the date does not change, then solar panels will not be able to be sold in Washington. We have been working for two years to try and develop a PV plan. I think we can get there. If the program takes effect as scheduled there will be solar manufacturers that will abandon the state. Many small businesses, installers, electricians, and parts and components manufacturers could be negatively impacted. The current law would disrupt the solar industry in many ways. This bill removes barriers to achieving the goals set out in the Clean Energy Transformation Act. Without access to solar panels Commerce would be unable to implement Solar for All. We have a real mess if we don't deal with this problem. Ecology supports take backs and end-of-life product stewardship programs and recognizes that discarded solar panels are hazardous to the environment if not handled properly.

OTHER: There are numerous early stage companies who are building business plans around existing law. Perhaps there should be incentives for early mover companies who are ready to carry out this legislation. Before this delay was announced we had five manufacturers ready to sign on to our end of life management plan. I urge you to add a solar panel stewardship organization to the advisory committee and shorten the timeline to 2027. I'd like to see Ecology have the authority to move forward.

Persons Testifying: PRO: Senator Sharon Shewmake, Prime Sponsor; Bill Will, Washington Solar Energy Industries Association; Peter Lyon, Washington Department of Ecology, Solid Waste Management Program; Nora Hawkins, Washington State Department of Commerce, Energy Office; Matthew Hepner, IBEW/ceww.

OTHER: Heather Alvis, Electra; Atul Deshmane, Private Citizen; Heather Trim, Zero Waste Washington.

Persons Signed In To Testify But Not Testifying: No one.