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## Environment Committee

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### HB 1507

**Brief Description:** Concerning electronic product recycling.

**Sponsors:** Representatives Pike, Upthegrove and Ryu.

<p style="text-align: center;"><b>Brief Summary of Bill</b></p> <ul style="list-style-type: none"><li>• Exempts businesses that license names, images, or intellectual property to electronics manufacturers from the requirement to participate in the E-Cycle electronic recycling program.</li></ul>
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**Hearing Date:** 2/7/13

**Staff:** Jacob Lipson (786-7196).

**Background:**

Since 2009, Washington's E-Cycle program has allowed for the recycling of electronic waste at no direct cost to consumers. Electronic products covered by the E-Cycle program include televisions, monitors, computers, laptops, and tablets, but not accessories such as computer keyboards.

Manufacturers of these electronic products are required to participate in a recycling program. The E-Cycle law allows for the establishment of multiple electronics recycling programs if manufacturers choose to develop alternative programs. However, the only electronics recycling program that has been established to date is operated by the Washington Materials Management and Financing Authority (WMMFA), a public body created under the E-Cycle law. The WMMFA operations are overseen by the Department of Ecology (DOE), with the DOE's expenses being funded through tiered fees paid by manufacturers based on their volume of retail sales. Manufacturers also fund the WMMFA through payments based on each manufacturer's percentage by weight of electronic products sold in the State ("market share") and collected through E-Cycle ("return share").

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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.*

Under the E-Cycle statute, a manufacturer is defined as a person that, under its own brand name, previously or currently:

- manufactures an electronic product for sale in Washington;
- assembles an electronic product for sale in Washington using parts manufactured by others;
- resells a product produced by other suppliers under their own brand name;
- imports an electronic product from someone who does not conduct business in the United States; or
- sells an electronic product acquired from an importer and registers in the importer's stead.

Manufacturers of co-branded products are also considered manufacturers under the law.

Electronic products may contain intellectual property, images, or names licensed under an agreement between a manufacturer and another party not directly involved in the manufacture of the electronic product.

**Summary of Bill:**

By definition, manufacturers are distinguished from entities which license names, images, or intellectual property to manufacturers of electronics covered by the E-Cycle law. Unlike manufacturers, licensors are not required to participate in an electronics recycling program under the E-Cycle law.

**Appropriation:** None.

**Fiscal Note:** Available.

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