

**Fisheries, Ecology & Parks
Committee**

HB 2488

Brief Description: Requiring electronic product management.

Sponsors: Representatives Cooper, Campbell, Hunt, Romero, O'Brien, Chase, Sullivan, Ruderman, Dunshee, Wood and Dickerson.

Brief Summary of Bill

- Requires the manufacturers of covered electronic products to develop, finance, and implement a plan for the collection and recycling of 20 percent of the electronic waste generated each year by that manufacturer, increasing recycling rates by 10 percent per year for 5 years.
- Establishes a \$5 fee on the sale of televisions, computer monitors and central processing units to provide grant funding to promote recycling and reuse activities
- Requires all covered electronic products sold in Washington to have a label that indicates to consumers that the product contains hazardous materials.

Hearing Date: 1/23/04

Staff: Jeff Olsen (786-7157).

Background:

Rapidly changing technological advances in the computer and electronics sector have resulted in an increasing number of outdated electronic products. The Environmental Protection Agency estimates over 20 million personal computers became obsolete in 1998 and only 13 percent were reused or recycled. By 2005, more than 63 million personal computers are projected to be retired according to a recent study by the National Safety Council. Electronic products may contain hazardous materials including lead, mercury, brominated flame retardants, and hexavalent chromium. Cathode ray tubes in computer monitors and video display devices may contain between four to eight pounds of lead.

National and state efforts have been initiated to examine opportunities to recycle and reuse electronic waste and encourage development of products using less toxic substances and more recycled content. Representatives from electronics manufacturers, government agencies, environmental groups and others began meeting in April, 2001 to develop a joint plan in the

United States for managing used electronics. The National Electronics Product Stewardship Initiative (NEPSI) goal is to develop a system to maximize collection, reuse and recycling of used electronics, while considering appropriate incentives to design products that facilitate source reduction, reuse and recycling, reduce toxicity, and increase recycled content.

The Department of Ecology (Department) is the state agency assigned the responsibility of managing the state's solid and hazardous wastes. The Department issued a policy notice for managing computer monitors, televisions, and other devices that contain cathode ray tubes (CRT's). Under current regulations, materials designated as hazardous, such as CRTs, must be handled, treated, and recycled differently than universal waste.

Summary of Bill:

Plans for New Electronic Waste

Manufacturers of covered electronic products are required to develop, finance, and implement a plan for the collection and recycling of 20 percent of the electronic waste generated each year by that manufacturer's products. Covered electronic products are defined to include televisions, computer monitors, and computer central processing units. Multiple manufacturers are authorized to enter into collective recovery plans. All plans must provide:

- A description of the collection system;
- Plans for public education;
- Financing details including methods to reimburse local governments and others;
- Documentation of the willingness of all necessary parties to participate;
- Assurances that the plan will operate in compliance with solid waste laws;
- Descriptions of plan performance measures and alternative actions to be taken should the performance measures not be met; and
- Annual sales data on that manufacturer's electronic products.

Any costs incurred by the plan must be internalized into the product price, or specifically itemized at the point of sale. Consumers may not be charged an additional disposal fee.

All plans must be submitted to the Department by September 20, 2005 with implementation beginning by June 30, 2006.

Annual Reports

Electronic product manufacturers must submit annual reports to the Department. The contents of the report must include information about the quantity of products sold, the weight of waste recovered and recycled, the results of performance measures, planned education efforts, and other information as required by the Department. The reports must be made available to the public; however, the manufacturers may indicate which elements in the report are considered proprietary. If the Department agrees, those sections will remain confidential.

Covered Electronic Product Fee

Beginning January 1, 2005, there is a \$5 fee levied on the sale of new covered electronic products for a period of five years. Persons selling electronic products collect the fee, and may retain 10 percent for administrative costs. The Electronic Product Management Account is created and funds from the fee are deposited in the new account.

Electronic Product Management and Recycling Advisory Committee

The Electronic Product Management and Recycling Advisory Committee (Committee) is created within the Department of Community, Trade and Economic Development (DCTED). Members of the Committee are appointed by the Director of DCTED and represent a variety of stakeholders involved in electronic product management. The Committee will make recommendations for grants and loans for electronic product management activities including; promoting small business development; research and development to reduce the use of hazardous electronic materials; and, collection, recycling and reuse of electronic products.

Labeling

By June 30, 2006, all covered electronic products sold in Washington must have a label that indicates to consumers that the product contains hazardous materials and that certain disposal methods are not a part of that manufacturer's collection plans. The packing must also include a toll-free telephone number or internet site where disposal information can be gathered.

Export Requirements

Exporters of electronic waste are required to notify the Department 60 days prior to export regarding the destination and contents of the waste being exported. Additional export reporting requirements include demonstrating compliance with applicable laws, and demonstrating that the electronic waste is being reused or recycled.

Appropriation: None.

Fiscal Note: Requested on 1/15/2004.

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