

# HOUSE BILL REPORT

## SHB 1498

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### As Passed Legislature

**Title:** An act relating to improving reports on electronic waste collection.

**Brief Description:** Improving reports on electronic waste collection.

**Sponsors:** House Committee on Environment (originally sponsored by Representatives Upthegrove, Short and Ryu).

#### **Brief History:**

##### **Committee Activity:**

Environment: 2/7/13, 2/19/13 [DPS].

##### **Floor Activity:**

Passed House: 3/6/13, 94-3.

Passed Senate: 4/16/13, 47-0.

Passed Legislature.

#### **Brief Summary of Substitute Bill**

- Adds certain information to the annual reports that must be filed with the Department of Ecology by operators of electronic waste recycling programs under the E-Cycle law.

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### HOUSE COMMITTEE ON ENVIRONMENT

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 12 members: Representatives Upthegrove, Chair; McCoy, Vice Chair; Short, Ranking Minority Member; Pike, Assistant Ranking Minority Member; Crouse, Farrell, Fey, Kagi, Lias, Morris, Nealey and Tharinger.

**Minority Report:** Do not pass. Signed by 1 member: Representative Overstreet.

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

#### **Background:**

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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.*

Since 2009 the E-Cycle program has allowed for the recycling of electronic waste at no direct cost to consumers. Electronic products covered by the E-Cycle law include televisions, monitors, computers, laptops, and tablets. Accessories such as computer keyboards are not recyclable through E-Cycle.

Under the E-Cycle law, manufacturers of covered electronic products are required to participate in an electronics recycling program. The E-Cycle law allows for the establishment of multiple electronics recycling programs, should manufacturers choose to develop alternative programs. However, to date, the only electronics recycling program that has been established is operated by the Washington Materials Management and Financing Authority (WMMFA), a public body whose creation was required by the E-Cycle law. The Department of Ecology (DOE) oversees certain WMMFA activities, including reviewing program plans and operations, and enforcing provisions of the E-Cycle law. Manufacturers fund WMMFA operations through payments based on a combination of each manufacturer's:

- percentage by weight of electronic products sold in the state ("market share"); and
- percentage by weight of electronic products collected through E-Cycle ("return share").

To determine the "return share" attributable to each manufacturer participating in the program, the E-Cycle law establishes a sampling mechanism designed to produce statistically significant information regarding the brand names collected for each type of electronic product, the number of electronic products collected by product type, and the weight of electronic products by brand name and product type.

The WMMFA and any other entities which operate electronics recycling programs under the E-Cycle law must file an annual report with the DOE. Among the items that must be included in the annual report are:

- the total weight, reported by county, of electronic products collected through E-Cycle;
- lists of recycling processors used by the program, manufacturers participating in the program, and collection services and sites established by the program; and
- the results of the sampling of collected electronics by brand name and product type.

#### **Summary of Substitute Bill:**

The WMMFA and other electronic products recycling programs must include certain information as part of the annual report filed with the DOE. The additional information that must be incorporated into the annual report includes:

- the total weight of collected products by type of electronic product;
- a description of the program's collection, transportation, recycling, and processing methods;
- an estimate of the weight of each type of material recovered after processing of the collected materials;
- an estimate of the percentage, by weight, of materials collected under the program that are ultimately re-used, recycled, or disposed of as residual waste;
- a description of program costs and revenues, including information on the average cost of the program per pound of covered electronic product collected; and
- a detailed accounting of costs associated with program delivery and administration.

**Appropriation:** None.

**Fiscal Note:** Available.

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

**Staff Summary of Public Testimony:**

(In support) In order for the Legislature to be able to sufficiently consider the E-waste program's effectiveness, they need to know that the program is cost effective and financially sustainable. Currently, E-Waste annual reporting includes information on the volume of electronic waste collected, but not important data on program costs. Not originally including this cost data as a reporting requirement was an oversight, and other product stewardship laws and bills have decided to include cost data in program reporting requirements. The language in the original bill could possibly use some refining, but the underlying purpose of incorporating program cost data is a policy issue which needs to be addressed.

(With concerns) Additional reporting requirements could result in useful information, and some of it could be simple to provide. However, some of the data reporting requirements in the current bill language could be expensive to monitor and collect, without providing particularly useful information. Some of this reporting information could be provided to the DOE by the WMMFA, and made available to the public, without legislative action.

(Opposed) Much of the information that this bill seeks to require, including independent financial statements, is already made publicly available in some form by the WMMFA. Certain information that this bill requires is proprietary market share information that should not be made publicly available. Other newly required information, like detailed collection information by site, would be extremely costly and time-intensive to track. These reporting requirements will increase the operating costs of the program, and will be difficult for multi-site collectors of electronics to track, especially if collection locations re-use, rather than recycle, working equipment that can be refurbished and sold. Certain remote collection locations might drop out of the program entirely, rather than complete these reporting requirements. Stakeholders in the program are widely satisfied with the current levels of program reporting and transparency.

**Persons Testifying:** (In support) Vicki Christophersen, Washington Refuse and Recycling Association; and Brad Boswell, Waste Management.

(With concerns) Suellen Mele, Zero Waste Washington; and Laurie Davies, Department of Ecology.

(Opposed) John Friedrick, Washington Materials Management and Financing Authority; and Tiffany Hatch, Seattle Goodwill.

**Persons Signed In To Testify But Not Testifying:** None.