FINAL BILL REPORT SB 5762

C 254 L 17

Synopsis as Enacted

Brief Description: Concerning financing of the mercury-containing light stewardship program.

Sponsors: Senators Hunt, Short and Sheldon.

Senate Committee on Ways & Means House Committee on Environment House Committee on Appropriations

Background: All mercury-containing lights must be recycled and may not be disposed of in waste incinerators or landfills.

Producers of mercury-containing lights must participate in an approved mercury-containing lights product stewardship program (stewardship program), which is responsible for the collection, recycling, and disposal of mercury-containing lights, including compact fluorescent lights. A producer, wholesaler, retailer, or distributor may not offer for sale or distribute mercury-containing lights unless the producer is participating in a stewardship program. Each stewardship program is operated by a product stewardship organization, which must be approved by the Department of Ecology (Ecology).

Every producer of mercury-containing lights sold in or into Washington for residential use must fully finance and participate in a product stewardship program. An environmental handling charge must be added to the price of mercury-containing lights sold to retailers in or into the state to cover these costs, plus a reserve. Each stewardship program, using funds from the environmental handling charge, must pay \$5,000 per participating producer to Ecology to cover its administration and enforcement costs of the stewardship program. The environmental handling charge is determined by the stewardship program organization in consultation with producers, collectors, recyclers, and retailers. The revenue is to be deposited into the Product Stewardship Programs account. Each product stewardship organization must submit an annual report to Ecology that includes a financial audit with information about the amount of the environmental handling charge, and costs of the stewardship program, as well as the amount of unallocated reserve funds.

In 2016, the Legislature directed Ecology in the Omnibus Appropriations Act to not retain any fees in excess of their estimated administrative costs for the stewardship program, and if excess funds did accrue, to refund the excess fees to any approved stewardship organization.

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.

Summary: The annual stewardship program fee paid to Ecology is reduced from \$5,000 to \$3000. Ecology may not retain fees in excess of the estimated administrative costs for the stewardship program and must refund any excess fees to approved stewardship organizations.

The existing required annual report must include an independent financial audit once every two years.

The mercury-containing lights product stewardship program is repealed on July 1, 2026.

Votes on Final Passage:

Senate 49 0
House 97 0 (House amended)
Senate (Senate refused to concur)
House (House insisted on its position)
Senate 49 0 (Senate concurred)

Effective: July 23, 2017