

HOUSE BILL REPORT

E2SSB 5175

As Reported by House Committee On:

Environment & Energy
Appropriations

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

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

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Shewmake, Hasegawa, Nobles and Wellman; by request of Department of Ecology).

Brief History:

Committee Activity:

Environment & Energy: 3/20/25, 3/26/25 [DP];
Appropriations: 4/4/25, 4/5/25 [DP].

Brief Summary of Engrossed Second Substitute Bill

- Delays program implementation deadlines associated with the Photovoltaic (PV) Module Stewardship Program.
- Establishes a PV module advisory committee to develop recommendations, and requires the Department of Ecology to submit a related report to the Legislature by December 1, 2028.

HOUSE COMMITTEE ON ENVIRONMENT & ENERGY

Majority Report: Do pass. Signed by 12 members: Representatives Doglio, Chair; Hunt, Vice Chair; Berry, Duerr, Fey, Fitzgibbon, Kloba, Mena, Ramel, Stearns, Street and Wylie.

Minority Report: Do not pass. Signed by 7 members: Representatives Dye, Ranking Minority Member; Klicker, Assistant Ranking Member; Barnard, Ley, Mendoza, Stuebe and Ybarra.

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.

Staff: Jacob Lipson (786-7196).

Background:

Under the state's solid waste management laws, local governments are the primary government entity responsible for implementing state solid waste management requirements. The Department of Ecology (Ecology) also has certain roles in overseeing the administration of solid waste management laws. Ecology is responsible for working cooperatively with local governments as they develop their local solid waste management plans. County and city solid waste management plans are required to contain certain elements, including a waste reduction and recycling element.

The Legislature has enacted laws that require the establishment of extended producer responsibility or product stewardship (EPR) programs for the management of six types of products: (1) electronic products; (2) light bulbs that contain mercury; (3) photovoltaic (PV) modules; (4) pharmaceuticals; (5) paint; and (6) batteries. In general, the state's EPR programs require producers to participate in a stewardship organization or program that is responsible for the collection, transport, and end-of-life management of products covered by each program. Ecology is responsible for the oversight of the state's EPR programs, with the exception of the Pharmaceutical Stewardship Program, which is overseen by the Department of Health.

The PV module stewardship law was enacted in 2017, and included the following deadlines for the phasing-in of program requirements:

- By July 1, 2019, Ecology was required to complete stewardship plan guidance for manufacturers in preparing and implementing a self-directed program to ensure convenient, safe, and environmentally sound takeback and recycling of PV modules.
- By July 1, 2024, each manufacturer was required to prepare and submit a stewardship plan to Ecology for approval. For manufacturers whose first sale of PV modules into Washington occurs after July 1, 2024, the stewardship plan must be submitted within 30 days of the first PV module sale.
- Beginning July 1, 2025, manufacturers, distributors, retailers, or installers may not sell or offer for sale a PV module in or into Washington unless the manufacturer of the PV module has received approval from Ecology for its stewardship plan.
- Beginning April 1, 2026, manufacturers must submit an annual report for the previous calendar year of plan implementation.

The 2017 law allows manufacturers to designate a stewardship organization to act as an agent on behalf of manufacturers in operating and implementing the required PV Module Stewardship Program. Stewardship plans are required to include specified contents, including a description of how the program to collect, manage, and recycle PV modules will be financed; a description of how the program will minimize the release of hazardous substances; and the establishment of performance goals for the program. Under the plan, manufacturers must accept all of their PV modules sold in or into Washington after July 1,

2017; and must provide for PV module takeback at locations which are as convenient as reasonably practicable and are within the region of the state where they were used. Ecology may assess penalties of up to \$10,000 on manufacturers for each sale of a PV module without the required approved stewardship plan.

Summary of Bill:

The requirement for manufacturers to prepare and submit a stewardship plan is delayed from July 1, 2024, until January 31, 2030. Manufacturers may submit the stewardship plan individually or as part of a stewardship organization. Manufacturers that initiate sales after January 1, 2030, must submit the plan within 30 days of the first sale of PV modules in or into Washington.

The prohibition on sales of the PV modules of manufacturers that have not received stewardship plan approval from Ecology is delayed from July 1, 2025, until January 31, 2031.

Annual reporting requirements are delayed from April 1, 2026, until April 1 of the first year after program operation.

Subject to appropriation, Ecology must establish a PV module advisory committee. The advisory committee may include representatives of any parties deemed appropriate by Ecology, but must, if feasible, include at least one member representing 15 specified entities or categories of entities. The advisory committee must develop recommendations for PV module management considering specified factors. Ecology must contract with an independent third-party consultant to convene, facilitate, support, and provide research for the advisory committee, and must submit a report to Ecology by June 1, 2028, containing the recommendations of the advisory committee. Ecology must submit a report to the Legislature containing recommended changes to the PV module stewardship law by December 1, 2028, that summarizes the work of the consultant and the advisory committee.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) Five years ago the Legislature passed a law that would have required a similar stakeholder group to be created in order to fine-tune the solar panel recycling law, but that

group was never formed due to the COVID-19 pandemic. A broad-based stakeholder group needs to discuss how to form a durable program. The timeline for program requirements needs to be delayed while this group discusses how to reform the program. The requirement that manufacturers have an approved stewardship plan is set to take effect as of July 1, 2025. Currently only one solar manufacturer is expected to have an approved plan at that time. If the program is not reformed and delays on solar panel takeback requirements are not enacted, solar panel manufacturers are likely to stop selling panels into the state. This will jeopardize state climate goals and undercut solar access programs for state residents. There are not yet a significant number of solar panels that are reaching their end of life and are in immediate need of recycling. This legislation is requested by Ecology.

(Opposed) None.

Persons Testifying: Bill Will, Washington Solar Energy Industries Association; Peter Lyon, Washington Department of Ecology, Solid Waste Management Program; and Nora Hawkins, Washington Department of Commerce.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass. Signed by 19 members: Representatives Ormsby, Chair; Gregerson, Vice Chair; Macri, Vice Chair; Berg, Bergquist, Callan, Cortes, Doglio, Fitzgibbon, Leavitt, Lekanoff, Peterson, Pollet, Ryu, Springer, Stonier, Street, Thai and Tharinger.

Minority Report: Do not pass. Signed by 10 members: Representatives Couture, Ranking Minority Member; Connors, Assistant Ranking Minority Member; Penner, Assistant Ranking Minority Member; Schmick, Assistant Ranking Minority Member; Burnett, Corry, Dye, Keaton, Manjarrez and Marshall.

Staff: Dan Jones (786-7118).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Environment & Energy:

No new changes were recommended.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) The rescheduled deadlines in this bill are critical. If this bill doesn't pass, solar manufacturers will stop shipping into the state. There are already supply pressures on the solar panel industry as it is, and the state could run out of solar panels without this bill. The photovoltaic module recycling mandates in current law would hurt the solar panel industry and risk jobs. Solar panel businesses prefer to recycle the solar panels anyway. Recycling is happening, but more time is needed to allow the solar panel industry to grow. This bill helps make corrections to previous photovoltaic module legislation.

(Opposed) None.

Persons Testifying: Jon Lange, Sunergy Systems; Kaitlin Borstelmann, Greentech Renewables and WASEIA; and Jeremy Smithson, Puget Sound Solar.

Persons Signed In To Testify But Not Testifying: None.