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HOUSE BILL 2903

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State of Washington

64th Legislature

2016 Regular Session

By Representative Peterson

1 AN ACT Relating to electronic product recycling; and amending RCW  
2 70.95N.280 and 70.95N.290.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 70.95N.280 and 2006 c 183 s 29 are each amended to  
5 read as follows:

6 (1) The Washington materials management and financing authority  
7 is established as a public body corporate and politic, constituting  
8 an instrumentality of the state of Washington exercising essential  
9 governmental functions. In procuring goods and services, the  
10 authority shall be guided by the policies and procedures applicable  
11 to state agencies under chapter 39.26 RCW.

12 (2) The authority shall plan and implement a collection,  
13 transportation, and recycling program for manufacturers that have  
14 registered with the department their intent to participate in the  
15 standard program as required under RCW 70.95N.040.

16 (3) Membership in the authority is comprised of registered  
17 participating manufacturers. Any registered manufacturer who does not  
18 qualify or is not approved to submit an independent plan, or whose  
19 independent plan has not been approved by the department, is a member  
20 of the authority. All new entrants and white box manufacturers are  
21 also members of the authority.

1 (4) The authority shall act as a business management organization  
2 on behalf of the citizens of the state to manage financial resources  
3 and contract for services for collection, transportation, and  
4 recycling of covered electronic products.

5 (5) The authority's standard plan is responsible for collecting,  
6 transporting, and recycling the sum of the equivalent shares of each  
7 participating manufacturer.

8 (6) The authority shall accept into the standard program covered  
9 electronic products from any registered collector who meets the  
10 requirements of this chapter. The authority shall compensate  
11 registered collectors for the reasonable costs associated with  
12 collection, but is not required to compensate nor restricted from  
13 compensating the additional collection costs resulting from the  
14 additional convenience offered to customers through premium and  
15 curbside services.

16 (7) The authority shall accept and utilize in the standard  
17 program any registered processor meeting the requirements of this  
18 chapter and any requirements described in the authority's operating  
19 plan or through contractual arrangements. Processors utilized by the  
20 standard plan shall provide documentation to the authority at least  
21 annually regarding how they are meeting the requirements in RCW  
22 70.95N.250 (~~and section 26 of this act~~), including enough detail to  
23 allow the standard plan to meet its reporting requirements in RCW  
24 70.95N.140(2)(c) (~~and (d)~~), and must submit to audits conducted by  
25 or for the authority. The authority shall compensate such processors  
26 for the reasonable costs, as determined by the authority, associated  
27 with processing unwanted electronic products. Such processors must  
28 demonstrate that the unwanted electronic products have been received  
29 from registered collectors or transporters, and provide other  
30 documentation as may be required by the authority.

31 (8) Except as specifically allowed in this chapter, the authority  
32 shall operate without using state funds or lending the credit of the  
33 state or local governments.

34 (9) The authority shall develop innovative approaches to improve  
35 materials management efficiency in order to ensure and increase the  
36 use of secondary material resources within the economy.

37 **Sec. 2.** RCW 70.95N.290 and 2013 c 305 s 12 are each amended to  
38 read as follows:

1 (1)(a) The authority is governed by a board of directors. The  
2 board of directors is comprised of eleven participating  
3 manufacturers, appointed by the director of the department.

4 (i) For program years 2009 through 2015, five board positions are  
5 reserved for representatives of the top ten brand owners by return  
6 share of covered electronic products, and six board positions are  
7 reserved for representatives of other brands, including at least one  
8 board position reserved for a manufacturer who is also a retailer  
9 selling their own private label. The return share of covered  
10 electronic products used to determine the top ten brand owners for  
11 purposes of electing the board must be determined by the department  
12 by January 1, 2007.

13 (ii) For program years 2016 and beyond, five board positions are  
14 reserved for representatives of the top ten brand owners by market  
15 share of covered electronic products, and (~~six~~) three board  
16 positions are reserved for representatives of other brands, including  
17 at least one board position reserved for a manufacturer who is also a  
18 retailer selling its own private label. The market share of covered  
19 electronic products used to determine the top ten brand owners for  
20 purposes of electing the board must be determined by the department  
21 by October 1, 2015. Two board positions are reserved for  
22 representatives of companies engaged in the collection and  
23 transporting of discarded electronic products, at least one of which  
24 must be an employee or owner of a mini or micro-owned business  
25 enterprise. One board position is reserved for a representative of  
26 organizations advocating for increasing the recycling and reuse of  
27 discarded electronic products.

28 (b) The board must have representation from both television and  
29 computer manufacturers.

30 (2) The board shall select from its membership the chair of the  
31 board and such other officers as it deems appropriate.

32 (3) A majority of the board constitutes a quorum.

33 (4) The directors of the department of commerce and the  
34 department of ecology serve as ex officio members. The state agency  
35 directors serving in ex officio capacity may each designate an  
36 employee of their respective departments to act on their behalf in  
37 all respects with regard to any matter to come before the authority.  
38 Ex officio designations must be made in writing and communicated to  
39 the authority director.

1           (5) The board shall create its own bylaws in accordance with the  
2 laws of the state of Washington.

3           (6) Any member of the board may be removed for misfeasance,  
4 malfeasance, or willful neglect of duty after notice and a public  
5 hearing, unless the notice and hearing are expressly waived in  
6 writing by the affected member.

7           (7) The members of the board serve without compensation but are  
8 entitled to reimbursement, solely from the funds of the authority,  
9 for expenses incurred in the discharge of their duties under this  
10 chapter.

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