

REVENUE: No revenue impact

FISCAL: Fiscal statement issued

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	8 - 0 - 0
Yeas:	Bailey, Barnhart, Bentz, Boone, Jenson, Smith J., Thompson, Cannon
Nays:	0
Exc.:	0
Prepared By:	Beth Patrino, Administrator
Meeting Dates:	2/4, 2/9, 2/11

WHAT THE MEASURE DOES: Modifies provisions related to determination of return share and return share by weight of televisions (TVs) in electronics recycling program. Directs that return share and return share by weight for television manufacturers be based on manufacturer's percentage of total number of TVs sold in Oregon during previous calendar year. Authorizes Department of Environmental Quality (DEQ) to use specified data to determine percentage and to require manufacturers submit data in specific format. Authorizes DEQ to add surcharge to annual registration fee if necessary to cover additional costs of making market share determinations. Directs that recycling fees for state contractor program be based on manufacturer's annual return share and return share by weight. Declares emergency, effective upon passage.

ISSUES DISCUSSED:

- Continued viability of State Contractor Program under current statute
- Disproportionate impact to certain TV manufacturers participating in the state program
- Discussion of this issue during 2007 session
- Market-share vs. return-share approach
- Cost of recycling as part of product cost

EFFECT OF COMMITTEE AMENDMENT: Replaces the measure.

BACKGROUND: House Bill 2626 (2007) created a statewide collection, transportation and recycling system for the recycling of covered electronic devices. The program requires manufacturers to provide free recycling for televisions, desktop and portable computers. Manufacturers must either pay a recycling fee to participate in the State Contractor Program (SCP) or join a manufacturer-run program, which pays its own costs. Under the current statute, the cost of participating in the SCP is calculated differently for TV manufacturers than it is in a manufacturer-run program. TV manufacturers in the SCP pay based on market share. The current method of calculation has led TV manufacturers with larger market share to leave the state program due to disproportionately high fees.

House Bill 3606A specifies that the total recycling weight assigned to all TV manufacturers in the state is allocated based on respective market share. Fees for TV manufacturers in the SCP would continue to be based on market share.