

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2019

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HOUSE BILL 759

Short Title: Electronics Recycling Amendments. (Public)

Sponsors: Representative McGrady.

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Environment, if favorable, Rules, Calendar, and Operations of the House

April 16, 2019

1 A BILL TO BE ENTITLED  
2 AN ACT TO AMEND THE ELECTRONICS RECYCLING STATUTES.  
3 The General Assembly of North Carolina enacts:

4 **SECTION 1.** G.S. 130A-309.132 reads as rewritten:

5 "**§ 130A-309.132. Responsibility for proper recycling of discarded computer equipment**  
6 **and televisions.**

7 In addition to the specific requirements of this ~~Part, Part:~~ (i) discarded computer equipment  
8 and television ~~collectors~~ collectors are responsible for employing environmentally sound  
9 management practices to collect, transport, and store discarded computer equipment and  
10 televisions that they collect for recycling; (ii) computer equipment and television recyclers are  
11 responsible for employing environmentally sound management practices to store, recycle, and  
12 transport discarded computer equipment that they receive for recycling; and (iii) computer  
13 equipment manufacturers and television manufacturers ~~share responsibility for the recycling of~~  
14 are responsible for employing environmentally sound management practices to fulfill their  
15 obligations under this Part to recycle discarded computer equipment and ~~televisions and~~  
16 televisions. Computer equipment manufacturers and the Department share responsibility for the  
17 education of citizens of the State as to recycling opportunities for discarded computer equipment  
18 and the Department has responsibility for the education of citizens of the State as to recycling  
19 opportunities for discarded televisions."

20 **SECTION 2.** G.S. 130A-309.134 reads as rewritten:

21 "**§ 130A-309.134. Requirements for computer equipment manufacturers.**

22 ...

23 (c) Computer Equipment Recycling Plan Required. – Each computer equipment  
24 manufacturer shall develop, submit to the Department, and implement one of the following plans  
25 to provide a free and reasonably convenient recycling program to take responsibility for computer  
26 equipment discarded by consumers:

27 (1) Level I recycling plan. – A computer equipment manufacturer shall submit a  
28 recycling plan for reuse or recycling of computer equipment discarded by  
29 consumers in the State produced by the manufacturer. The manufacturer shall  
30 submit a proposed plan to the Department within 90 days of registration as  
31 required by subsection (a) of this section. The plan shall:

32 a. Provide that the manufacturer will take responsibility for computer  
33 equipment discarded by consumers that it manufactured.



- 1                   b.     Describe any direct take-back program to be implemented by the  
2                   manufacturer. Collection methods that are deemed to meet the  
3                   requirements of this subdivision include one or more of the following:  
4                   1.     A process offered by the computer equipment manufacturer or  
5                   the manufacturer's designee for consumers to return discarded  
6                   computer equipment by mail.  
7                   2.     A physical collection site operated and maintained by the  
8                   computer equipment manufacturer or the manufacturer's  
9                   designee to receive discarded computer equipment from  
10                  consumers, which is available to consumers during normal  
11                  business hours.  
12                  3.     A collection event hosted by the computer equipment  
13                  manufacturer or the manufacturer's designee at which a  
14                  consumer may return computer equipment.  
15                  c.     Include a detailed description as to how the manufacturer will  
16                  implement the plan.  
17                  d.     Provide for environmentally sound management practices to transport  
18                  and recycle discarded computer ~~equipment~~. The  
19                  manufacturer shall provide proof of contract or agreement with a  
20                  recycler that: (i) is certified as adhering to Responsible Recycling  
21                  ("R2") practices, (ii) is certified as an e-Steward recycler adhering to  
22                  the e-Stewards Standard for Responsible Recycling and Reuse of  
23                  Electronic Equipment®, or (iii) maintains another certification  
24                  approved by the Department for responsible recycling of computer  
25                  equipment to process the discarded computer equipment. The  
26                  manufacturer shall notify the Department within 30 days of any  
27                  change in status of a certified recycler with which it contracts.  
28                  e.     Include a consumer recycling education program on the laws  
29                  governing the recycling and reuse of discarded computer equipment  
30                  under this Part and on the methods available to consumers to comply  
31                  with those ~~requirements~~. requirements, and to otherwise proactively  
32                  promote recycling options for their equipment. The manufacturer shall  
33                  ~~operate a toll free telephone number~~ establish and operate a link on the  
34                  manufacturer's Web site to answer questions from consumers about  
35                  computer recycling options. ~~options in the State.~~  
36                  (2)     Level II recycling plan. – A computer equipment manufacturer shall submit a  
37                  recycling plan for reuse or recycling of computer equipment discarded by  
38                  consumers in the State produced by the manufacturer and by other  
39                  manufacturers. The manufacturer shall submit a proposed plan to the  
40                  Department within 90 days of registration as required by subsection (a) of this  
41                  section. The plan may offer additional options to collect other types of  
42                  electronic equipment that do not constitute discarded computer equipment, as  
43                  that term is defined under G.S. 130A-309.131, and may allow for assessment  
44                  of a nominal fee for collection of these other types of electronic equipment  
45                  that are not discarded computer equipment. The plan shall include all of the  
46                  elements set forth in subdivision (1) of subsection (c) of this section. In  
47                  addition the plan shall:  
48                  a.     Provide that the manufacturer will take responsibility for computer  
49                  equipment discarded by consumers that was manufactured by other  
50                  manufacturers, as well as computer equipment that it manufactured.

1                   b.       Provide that the manufacturer shall: (i) maintain physical collection  
2                   sites to receive discarded computer equipment from consumers in the  
3                   10 most populated municipalities in the State. The physical collection  
4                   sites shall be available to consumers during normal business hours, at  
5                   a minimum; and (ii) host at least two collection events annually within  
6                   the State.

7                   (3)     ~~Level III recycling plan.—A computer equipment manufacturer shall submit  
8                   a recycling plan for reuse or recycling of computer equipment discarded by  
9                   consumers in the State produced by the manufacturer and by other  
10                  manufacturers. The manufacturer shall submit a proposed plan to the  
11                  Department within 90 days of registration as required by subsection (a) of this  
12                  section. The plan may offer additional options to collect other types of  
13                  electronic equipment that do not constitute discarded computer equipment, as  
14                  that term is defined under G.S. 130A-309.131, and may allow for assessment  
15                  of a nominal fee for collection of these other types of electronic equipment  
16                  that are not discarded computer equipment. The plan shall include all of the  
17                  elements set forth in subdivision (1) of subsection (c) of this section. In  
18                  addition the plan shall:~~

19                  a.       ~~Provide that the manufacturer will take responsibility for computer  
20                  equipment discarded by consumers that was manufactured by other  
21                  manufacturers, as well as computer equipment that it manufactured.~~

22                  b.       ~~Provide that the manufacturer shall: (i) maintain physical collection  
23                  sites to receive discarded computer equipment from consumers in 50  
24                  of the State's counties, of which 10 of those counties shall be the most  
25                  populated counties in the State. The physical collection sites shall be  
26                  available to consumers during normal business hours, at a minimum;  
27                  and (ii) host at least two collection events annually within the State.~~

28                  (d)     Fee Required. – Within 90 days of registration as required in subsection (a) of this  
29                  section, a computer equipment manufacturer shall pay an initial registration fee to the  
30                  Department. A computer equipment manufacturer that has registered shall pay an annual renewal  
31                  registration fee to the Department, which shall be paid each year no later than July 1. The  
32                  proceeds of these fees shall be credited to the Electronics Management Fund established pursuant  
33                  to G.S. 130A-309.137. A computer equipment manufacturer that sells 1,000 items of computer  
34                  equipment or fewer per year-year, including sales outside the State, is exempt from the  
35                  requirement to pay the registration fee and the annual renewal fee imposed by this subsection.  
36                  The amount of the fee a computer equipment manufacturer shall pay shall be determined on the  
37                  basis of the plan the manufacturer develops, submits, and implements pursuant to subsection (c)  
38                  of this section, as follows:

39                  (1)     A computer equipment manufacturer who develops, submits, and implements  
40                  a Level I recycling plan pursuant to subdivision (1) of subsection (c) of this  
41                  section shall pay an initial registration fee of fifteen thousand dollars  
42                  (\$15,000) and an annual renewal fee of fifteen thousand dollars (\$15,000) to  
43                  the Department.

44                  (2)     A computer equipment manufacturer who develops, submits, and implements  
45                  a Level II recycling plan pursuant to subdivision (2) of subsection (c) of this  
46                  section shall pay an initial registration fee of ten thousand dollars (\$10,000)  
47                  and an annual renewal fee of seven thousand five hundred dollars (\$7,500) to  
48                  the Department.

49                  (3)     ~~A computer equipment manufacturer who develops, submits, and implements  
50                  a Level III recycling plan pursuant to subdivision (3) of subsection (c) of this  
51                  section shall pay an initial registration fee of ten thousand dollars (\$10,000)~~

1 and an annual renewal fee of two thousand five hundred dollars (\$2,500) to  
2 the Department.

3 ...."

4 **SECTION 3.** G.S. 130A-309.135 reads as rewritten:

5 **"§ 130A-309.135. Requirements for television manufacturers.**

6 (a) Registration and Fee Required. – Each television manufacturer, before selling or  
7 offering for sale televisions in the State, shall register with the Department and, at the time of  
8 registration, shall pay an initial registration fee of two thousand five hundred dollars (\$2,500) to  
9 the Department. An initial registration shall be valid from the day of registration through the last  
10 day of the fiscal year in which the registration fee was paid. A television manufacturer that has  
11 registered shall pay an annual renewal registration fee of two thousand five hundred dollars  
12 (\$2,500) to the Department. The annual renewal registration fee shall be paid to the Department  
13 each fiscal year no later than June 30 of the previous fiscal year. The proceeds of these fees shall  
14 be credited to the Electronics Management Fund. A television manufacturer that sells 1,000  
15 televisions or fewer per year-year, including sales outside the State, is exempt from the  
16 requirement to pay the registration fee and the annual renewal fee imposed by this subsection.

17 (b) Manufacturer Label Required. – A television manufacturer shall not sell or offer to  
18 sell any television in this State unless a visible, permanent label clearly identifying the  
19 manufacturer of that device is affixed to the equipment.

20 (c) Recycling of Market Share Required. – The obligation to recycle televisions shall be  
21 allocated to each television manufacturer based on the television manufacturer's market share. A  
22 television manufacturer must annually recycle or arrange for the recycling of televisions  
23 discarded within the State in an amount equivalent to its market share of televisions pursuant to  
24 this section.

25 (d) ~~Due Diligence and Compliance Assessments with Environmentally Sound Recovery~~  
26 ~~and Recycling Practices.~~ – A television manufacturer shall conduct and document ~~due diligence~~  
27 ~~assessments of the recyclers the manufacturer contracts with, including an assessment of~~  
28 ~~compliance with environmentally sound recovery standards adopted by the~~  
29 ~~Department.~~ Department, and provide proof of contract or agreement with a recycler that: (i) is  
30 certified as adhering to Responsible Recycling ("R2") practices, (ii) is certified as an e-Steward  
31 recycler adhering to the e-Stewards Standard for Responsible Recycling and Reuse of Electronic  
32 Equipment®, or (iii) maintains another certification approved by the Department for responsible  
33 recycling of televisions to process the discarded televisions. The manufacturer shall notify the  
34 Department within 30 days of any change in status of a certified recycler with which it contracts.

35 ...."

36 **SECTION 4.** G.S. 130A-309.137 reads as rewritten:

37 **"§ 130A-309.137. Electronics Management Fund.**

38 (a) Creation. – The Electronics Management Fund is created as a special fund within the  
39 Department. The Fund consists of revenue credited to the Fund from the proceeds of the fee  
40 imposed on computer equipment manufacturers under G.S. 130A-309.134 and television  
41 manufacturers under G.S. 130A-309.135.

42 (b) Use and Distribution. – Moneys in the Fund shall be used by the Department to  
43 implement the provisions of this Part concerning discarded computer equipment and televisions.  
44 The Department may use all of the proceeds of the fee imposed on television manufacturers  
45 pursuant to G.S. 130A-309.135 and may use up to ten percent (10%) of the proceeds of the fee  
46 imposed on computer equipment manufacturers under G.S. 130A-309.134 for administration of  
47 the requirements of this Part. Funds remaining shall be distributed annually by the Department  
48 to eligible local governments pursuant to this section. The Department shall distribute such funds  
49 on or before February 15 of each year. Funds shall be distributed on a pro rata basis.

50 (c) Eligibility. – Except as provided in subsection (d) of this section, no more than one  
51 unit of local government per county, including the county itself, may receive funding pursuant

1 to this section for a program to manage discarded computer equipment, televisions, and other  
2 electronic devices. A unit of local government shall submit a plan to include:

- 3 ...  
4 (6) Proof of contract or agreement with a recycler that to process the discarded  
5 computer equipment, televisions, and other electronic devices that the unit of  
6 local government collects that: (i) is certified as adhering to Responsible  
7 Recycling ("R2") practices or that practices: (ii) is certified as an e-Steward  
8 recycler adhering to the e-Stewards Standard for Responsible Recycling and  
9 Reuse of Electronic Equipment/rs to process the discarded computer  
10 equipment, televisions, and other electronic devices that the unit of local  
11 government collects.Equipment®; or (iii) maintains another certification  
12 approved by the Department for responsible recycling of computer equipment  
13 to process such equipment.

14 ...."

15 **SECTION 5.** G.S. 130A-309.142 reads as rewritten:

16 "**§ 130A-309.142. Registration of facilities recovering or recycling electronics**  
17 **required; requirements for operation, financial assurance, and closure**  
18 **plans.**

19 (a) Registration Required. – Facilities that recover or recycle covered devices ~~or other~~  
20 ~~electronic devices~~ diverted from the waste stream for transfer, treatment, or processing shall  
21 register annually with the Department on or before August 1 of each year upon such form as the  
22 Department may prescribe.

23 (b) Financial Assurance. – An owner of a facility that recovers or recycles covered  
24 devices shall establish financial assurance that will ensure that sufficient funds are available for  
25 cleanup, decontamination, and remediation of a property that has been contaminated as a result  
26 of such activities, including the removal and proper disposal of covered devices. Such funds shall  
27 be available even if the owner becomes insolvent or ceases to reside in, be incorporated, do  
28 business, or maintain assets in the State. To establish sufficient availability of funds under this  
29 subsection, the owner may use insurance, financial tests, third-party guarantees by persons who  
30 can pass the financial test, guarantees by corporate parents who can pass the financial test,  
31 irrevocable letters of credit, trusts, surety bonds, or any other financial device, or any combination  
32 of the foregoing, shown to provide protection equivalent to the financial protection that would  
33 be provided by insurance if insurance were the only mechanism used.

34 (c) Closure Plan. – Facilities that recover or recycle covered devices shall develop and  
35 submit to the Department: (i) a closure plan for the facility and (ii) detailed financial assurance  
36 cost estimates cleanup, decontamination, and remediation of the property, including the removal  
37 and proper disposal of covered devices, to be conducted by a third party if the owner becomes  
38 insolvent or ceases to reside in, be incorporated, do business, or maintain assets in the State.

39 (d) Management of Covered Devices Recovered or Recycled. – Facilities that recover or  
40 recycle covered devices shall manage such materials in accordance with the requirements of  
41 G.S. 130A-309.05(c).

42 (e) Rule Making. – The Department shall adopt rules as necessary to implement the  
43 provisions of this section."

44 **SECTION 6.** The Department of Environmental Quality shall study North Carolina's  
45 recycling requirements for discarded computer equipment and televisions with respect to the  
46 changing waste stream and items that should be omitted or added as covered devices, as that term  
47 is defined, under the program. The Department shall report its findings and recommendations,  
48 including any legislative proposals, to the Environmental Review Commission and the Joint  
49 Legislative Oversight Committee on Agriculture and Natural and Economic Resources no later  
50 than March 1, 2020.

1           **SECTION 7.** This act is effective when it becomes law, except that  
2 G.S. 130A-309.142(b) and (c), as enacted by Section 5 of this act, shall become effective January  
3 1, 2020.