

BILL ANALYSIS

C.S.H.B. 2714
By: Bonnen
Environmental Regulation
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Computers and display devices are critical elements to the strength and growth of this state's economic prosperity and our quality of life. The National Safety Council projects that nearly 250 million computers will become obsolete in the next five years. Many of these products can be refurbished and reused, and many such obsolete products contain valuable components that can be recycled. Developing and implementing an appropriate state computer and display device recovery system is important to our state's resource conservation, worker health and safety, and economic prosperity goals.

CSHB 2714 creates a computer equipment recycling program administered by the Texas Commission on Environmental Quality (TCEQ)

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Building and Procurement Commission and the Department of Information Resources in SECTION 1 of this bill. It is the committee's opinion that rulemaking authority is expressly granted to the Texas Commission on Environmental Quality in SECTION 2 of this bill.

ANALYSIS

CSHB 2714 amends the Health and Safety Code to create the computer equipment recycling program (program). The bill sets forth definitions and legislative findings. The bill provides that the collection, recycling, and reuse provisions of the program apply to a computer equipment used and returned to the manufacturer by a consumer in this state. The bill excludes from the program a television, any part of a motor vehicle, a personal digital assistant, or a telephone as well as a consumer's lease of a computer equipment and the sale or lease of computer equipment to a business.

The bill sets forth a manufacturer's responsibility under the program. The bill requires a manufacturer to adopt and implement a recovery plan and affix a label to the computer equipment with the manufacturer's brand before the manufacturer is allowed to offer computer equipment for sale in this state. The bill sets forth the requirements for a recovery plan. The bill sets forth collection methods that meet the convenience requirements of the program. The bill authorizes collection services under the program to use existing collection and consolidation infrastructure for handling computer equipment. The bill requires the recovery plan to include information for the consumer on how and where to return the manufacturer's computer equipment and sets forth how this information is to be shared with consumers and the TCEQ. The bill provides that information about the program on a manufacturer's website does not constitute a determination by the TCEQ that the recovery plan is in compliance with the program.

The bill requires each manufacturer to submit a report to the TCEQ annually and sets forth the requirements for that report. The bill lays out the responsibilities of each person in the case where more than one person is a manufacturer of a certain brand of computer equipment. The bill sets forth provisions relating to the obligation of a person who manufactures or sells computer equipment under a brand that was previously used by a different person. The bill provides that a manufacturer or retailer of computer equipment is not liable for information that the consumer leaves on computer equipment that is collected, recycled or reused in the program.

The program does not exempt a person for liability under other law. The bill sets forth provisions relating to the responsibilities of the TCEQ to educate consumers about the program.

The bill allows the TCEQ to conduct audits and inspection to determine compliance with the program. The bill requires the TCEQ and the Attorney General, where appropriate, to enforce the program. The bill sets forth administrative penalties for noncompliance with the program. The bill provides that financial and proprietary information submitted to the TCEQ under the program is exempt from public disclosure statutes. The bill provides that the program does not authorize the TCEQ to impose a fee on a consumer, manufacturer, retailer, or person who recycles or reuses computer equipment. The bill sets for the responsibilities of consumers under the program.

The bill requires all computer equipment collected under the program to be recycled or reused in a manner that complies with federal, state, and local law. The bill requires the TCEQ to adopt recycling standard for computer equipment as provided by the Institute of Scrap Recycling Industries, Inc. or standards from a comparable nationally recognized organization.

The bill requires a person who submits a bid for a contract with a state agency for the purchase or lease of computer equipment to comply with the program. In considering bids for a contract for computer equipment, the bill requires the state to give special preference to a manufacturer that has a program to recycle or reuse the computer equipment of other manufacturers. The bill requires the Texas Building and Procurement Commission and the Department of Information to adopt rules to implement the provisions relating to state procurement.

The bill provides that the program will expire on the date that the TCEQ determines that a federal law substantially meets the purposes of the program.

The bill requires the TCEQ to adopt rules to implement the program by May 1, 2008.

EFFECTIVE DATE

September 1, 2007.

COMPARISON OF ORIGINAL TO SUBSTITUTE

The substitute differs from the original by specifying that a penalty paid to the commission will be deposited to the Waste Management Account #549.