

1-1 By: Watson, Hinojosa S.B. No. 329  
1-2 (In the Senate - Filed January 11, 2011; February 2, 2011,  
1-3 read first time and referred to Committee on Natural Resources;  
1-4 March 17, 2011, reported adversely, with favorable Committee  
1-5 Substitute by the following vote: Yeas 11, Nays 0; March 17, 2011,  
1-6 sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 329 By: Jackson

1-8 A BILL TO BE ENTITLED  
1-9 AN ACT

1-10 relating to the sale, recovery, and recycling of certain television  
1-11 equipment; providing administrative penalties.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Chapter 361, Health and Safety Code, is amended  
1-14 by adding Subchapter Z to read as follows:

1-15 SUBCHAPTER Z. TELEVISION EQUIPMENT RECYCLING PROGRAM

1-16 Sec. 361.971. DEFINITIONS. In this subchapter:

1-17 (1) "Brand" has the meaning assigned by Section  
1-18 361.952.

1-19 (2) "Consumer" means an individual who uses covered  
1-20 television equipment that is purchased primarily for personal or  
1-21 home business use.

1-22 (3) "Covered television equipment" means the  
1-23 following equipment marketed to and intended for consumers:

1-24 (A) a direct view or projection television with a  
1-25 viewable screen of nine inches or larger whose display technology  
1-26 is based on cathode ray tube, plasma, liquid crystal, digital light  
1-27 processing, liquid crystal on silicon, silicon crystal reflective  
1-28 display, light-emitting diode, or similar technology; or

1-29 (B) a display device that is peripheral to a  
1-30 computer that contains a television tuner.

1-31 (4) "Market share allocation" means the quantity of  
1-32 covered television equipment, by weight, that an individual  
1-33 television manufacturer submitting a recovery plan under Section  
1-34 361.977 is responsible for collecting, reusing, and recycling, as  
1-35 computed by the commission under Section 361.983(g).

1-36 (5) "Recycling" means any process by which equipment  
1-37 that would otherwise become solid waste or hazardous waste is  
1-38 collected, separated, and refurbished for reuse or processed to be  
1-39 returned to use in the form of raw material or products. The term  
1-40 does not include incineration.

1-41 (6) "Retailer" means a person who owns or operates a  
1-42 business that sells new covered television equipment by any means  
1-43 directly to a consumer. The term does not include a person who, in  
1-44 the ordinary course of business, regularly leases, offers to lease,  
1-45 or arranges for the leasing of merchandise under a rental-purchase  
1-46 agreement.

1-47 (7) "Television" means an electronic device that  
1-48 contains a tuner that locks onto a selected carrier frequency and is  
1-49 capable of receiving and displaying video programming from a  
1-50 broadcast, cable, or satellite source.

1-51 (8) "Television manufacturer" means a person that:

1-52 (A) manufactures covered television equipment  
1-53 under a brand the person owns or is licensed to use;

1-54 (B) manufactures covered television equipment  
1-55 without affixing a brand;

1-56 (C) resells covered television equipment  
1-57 produced by other suppliers under a brand the person owns or is  
1-58 licensed to use;

1-59 (D) manufactures covered television equipment,  
1-60 supplies it to any person within a distribution network that  
1-61 includes a wholesaler or retailer, and benefits from the sale of the  
1-62 covered television equipment through that distribution network; or

1-63 (E) assumes the responsibilities of a television

2-1 manufacturer under this subchapter.

2-2 Sec. 361.972. LEGISLATIVE FINDINGS AND PURPOSE. The  
 2-3 purpose of this subchapter is to establish a comprehensive,  
 2-4 convenient, and environmentally sound program for the collection  
 2-5 and recycling of television equipment. The program is based on  
 2-6 individual television manufacturer responsibility and shared  
 2-7 responsibility among consumers, retailers, and the government of  
 2-8 this state.

2-9 Sec. 361.973. APPLICABILITY. (a) Except as provided by  
 2-10 this section and Section 361.991, this subchapter applies only to  
 2-11 covered television equipment that is:

2-12 (1) offered for sale or sold to a consumer in this  
 2-13 state; or

2-14 (2) used by a consumer in this state and returned for  
 2-15 recycling.

2-16 (b) This subchapter does not apply to:

2-17 (1) computer equipment as that term is defined by  
 2-18 Section 361.952;

2-19 (2) a manufacturer of a display device that is  
 2-20 peripheral to a computer and contains a television tuner, if that  
 2-21 manufacturer collects and recycles the device in accordance with  
 2-22 Subchapter Y;

2-23 (3) any part of a motor vehicle, including a  
 2-24 replacement part;

2-25 (4) a device that is functionally or physically part  
 2-26 of or connected to another system or piece of equipment:

2-27 (A) designed and intended for use in an  
 2-28 industrial, governmental, commercial, research and development, or  
 2-29 medical setting, including diagnostic monitoring or control  
 2-30 equipment; or

2-31 (B) used for security, sensing, monitoring,  
 2-32 antiterrorism, or emergency services purposes;

2-33 (5) a device that is contained in exercise equipment  
 2-34 intended for home use or an appliance intended for home use  
 2-35 including a clothes washer, clothes dryer, refrigerator,  
 2-36 refrigerator and freezer, microwave oven, conventional oven or  
 2-37 range, dishwasher, room air conditioner, dehumidifier, and air  
 2-38 purifier;

2-39 (6) a telephone of any type;

2-40 (7) a personal digital assistant;

2-41 (8) a global positioning system;

2-42 (9) a consumer's lease of covered television equipment  
 2-43 or a consumer's use of covered television equipment under a lease  
 2-44 agreement; or

2-45 (10) the sale or lease of covered television equipment  
 2-46 to an entity when the television manufacturer and the entity enter  
 2-47 into a contract that effectively addresses the recycling of  
 2-48 equipment that has reached the end of its useful life.

2-49 Sec. 361.974. SALES PROHIBITION. A person may not offer for  
 2-50 sale in this state new covered television equipment unless the  
 2-51 equipment has been labeled in compliance with Section 361.975.

2-52 Sec. 361.975. MANUFACTURER'S LABELING REQUIREMENT. A  
 2-53 television manufacturer may sell or offer for sale in this state  
 2-54 only covered television equipment that is labeled with the  
 2-55 television manufacturer's brand. The label must be permanently  
 2-56 affixed and readily visible.

2-57 Sec. 361.976. MANUFACTURERS' REGISTRATION AND REPORTING.

2-58 (a) A television manufacturer of covered television equipment  
 2-59 shall register with the commission and, except as provided by  
 2-60 Section 361.978, pay a registration fee of \$2,500. A registered  
 2-61 television manufacturer shall renew the registration and, except as  
 2-62 provided by Section 361.978, pay the fee on or before July 1 of each  
 2-63 year. The registration or registration renewal must include:

2-64 (1) a list of all brands the television manufacturer  
 2-65 uses in this state on covered television equipment regardless of  
 2-66 whether the television manufacturer owns or is licensed to use the  
 2-67 brand; and

2-68 (2) contact information for the person the commission  
 2-69 may contact regarding the television manufacturer's activities to

3-1 comply with this subchapter.

3-2 (b) Except as provided by Section 361.978, not later than  
 3-3 July 1 of each year, each registered television manufacturer of  
 3-4 covered television equipment shall report to the commission:

3-5 (1) the total weight of covered television equipment  
 3-6 for which the television manufacturer is responsible that was sold  
 3-7 in this state during the preceding calendar year or, if the  
 3-8 manufacturer does not track the weight of covered television  
 3-9 equipment it sells by state, the television manufacturer may report  
 3-10 the total amount of covered television equipment the television  
 3-11 manufacturer sold nationally in the preceding calendar year; and

3-12 (2) the total weight of covered television equipment  
 3-13 the television manufacturer collected and recycled in this state  
 3-14 during the preceding calendar year.

3-15 Sec. 361.977. MANUFACTURER'S RECOVERY PLAN AND RELATED  
 3-16 RESPONSIBILITIES. (a) This section does not apply to a television  
 3-17 manufacturer that participates in a recycling leadership program  
 3-18 described by Section 361.978.

3-19 (b) Each television manufacturer of covered television  
 3-20 equipment sold in this state shall, individually or as a member of a  
 3-21 group of television manufacturers, submit to the commission a  
 3-22 recovery plan to collect, reuse, and recycle covered television  
 3-23 equipment.

3-24 (c) An individual television manufacturer that submits a  
 3-25 recovery plan under Subsection (b) shall collect, reuse, and  
 3-26 recycle covered television equipment. Beginning with the  
 3-27 television manufacturer's second year of registration, the  
 3-28 individual television manufacturer shall collect, reuse, and  
 3-29 recycle the quantity of covered television equipment computed by  
 3-30 the commission as the television manufacturer's market share  
 3-31 allocation.

3-32 (d) A group of television manufacturers that submits a  
 3-33 recovery plan under Subsection (b) shall collect, reuse, and  
 3-34 recycle covered television equipment. Beginning the second year of  
 3-35 registration for a group of television manufacturers, the group of  
 3-36 television manufacturers shall collect, reuse, and recycle a  
 3-37 quantity of covered television equipment equal to the sum of the  
 3-38 combined market share allocations of the group's participants.

3-39 (e) A recovery plan under Subsection (b) must include at a  
 3-40 minimum:

3-41 (1) a statement of whether the television manufacturer  
 3-42 intends to collect and recycle its market share allocation through  
 3-43 operation of its program, individually or in partnership with other  
 3-44 television manufacturers;

3-45 (2) beginning with the television manufacturer's  
 3-46 second year of registration, the total weight of covered television  
 3-47 equipment collected, reused, and recycled by or on behalf of the  
 3-48 television manufacturer during the preceding year; and

3-49 (3) collection methods that allow a consumer to  
 3-50 recycle covered television equipment without paying a separate fee  
 3-51 at the time of recycling.

3-52 (f) The commission shall review the recovery plan for  
 3-53 satisfaction of the requirements of this subchapter. If the  
 3-54 registration and recovery plan are complete, the commission shall  
 3-55 include the television manufacturer on the commission's Internet  
 3-56 website listing as provided by Section 361.983(a). The commission  
 3-57 may reject the recovery plan if it does not meet all requirements of  
 3-58 this subchapter.

3-59 Sec. 361.978. MANUFACTURER RECYCLING LEADERSHIP PROGRAM.

3-60 (a) A group of television manufacturers may establish a recycling  
 3-61 leadership program to provide collection, transportation, and  
 3-62 recycling infrastructure for covered television equipment in this  
 3-63 state.

3-64 (b) A recycling leadership program must:

3-65 (1) provide at least 200 individual collection sites  
 3-66 or programs in this state in a manner described by Subsection (d)  
 3-67 where a consumer may return covered television equipment for reuse  
 3-68 or recycling; and

3-69 (2) include television manufacturers that

4-1 cumulatively represent at least five percent of the television  
4-2 equipment industry in terms of the total amount of television  
4-3 equipment sold in this state.

4-4 (c) A television manufacturer may not charge a separate fee  
4-5 at the time of recycling under this section unless at the time of  
4-6 recycling a financial incentive of equal or greater value to the fee  
4-7 charged is provided by the television manufacturer.

4-8 (d) Collection methods that may be used by a recycling  
4-9 leadership program under Subsection (b) for the recycling of  
4-10 covered television equipment include:

4-11 (1) a system by which the television manufacturer, an  
4-12 entity designated by the television manufacturer, or another  
4-13 private or public sector entity associated with the television  
4-14 manufacturer offers a consumer a physical collection site to return  
4-15 covered television equipment;

4-16 (2) a system by which the television manufacturer, an  
4-17 entity designated by the television manufacturer, or another  
4-18 private or public sector entity associated with the television  
4-19 manufacturer offers the consumer a method for returning covered  
4-20 television equipment by mail; and

4-21 (3) a system by which the television manufacturer, an  
4-22 entity designated by the television manufacturer, or another  
4-23 private or public sector entity associated with the television  
4-24 manufacturer holds a collection event where the consumer may return  
4-25 covered television equipment.

4-26 (e) A television manufacturer of covered television  
4-27 equipment sold in this state that is participating in a recycling  
4-28 leadership program for covered television equipment as of January 1  
4-29 of any year is not subject during that year to:

4-30 (1) the registration fees and renewal fees required by  
4-31 Section 361.976(a); and

4-32 (2) the reporting requirements of Section 361.976(b).

4-33 (f) A television manufacturer of covered television  
4-34 equipment that is sold in this state that participates in a  
4-35 recycling leadership program shall individually or through the  
4-36 recycling leadership program establish and implement a public  
4-37 education program regarding collection, reuse, and recycling  
4-38 opportunities that exist in this state for covered television  
4-39 equipment. The public education program must:

4-40 (1) inform consumers about the collection, reuse, and  
4-41 recycling opportunities for covered television equipment available  
4-42 in this state;

4-43 (2) work with the commission and other interested  
4-44 parties to develop educational materials that inform consumers  
4-45 about collection, reuse, and recycling opportunities available in  
4-46 this state; and

4-47 (3) use television manufacturer-developed customer  
4-48 outreach materials, such as packaging inserts, television  
4-49 manufacturers' Internet websites, and other communication methods,  
4-50 to inform consumers about collection, reuse, and recycling  
4-51 opportunities for covered television equipment available in this  
4-52 state.

4-53 Sec. 361.979. RECYCLING LEADERSHIP PROGRAM COLLECTION  
4-54 REPORT. (a) Not later than March 1 of each year, a television  
4-55 manufacturer of covered television equipment sold in this state  
4-56 that is participating in a recycling leadership program under  
4-57 Section 361.978 shall, individually or as a member of the recycling  
4-58 leadership program, submit to the commission and to the committee  
4-59 in each house of the legislature that has primary jurisdiction over  
4-60 environmental matters a collection report regarding the television  
4-61 manufacturer's collection, reuse, and recycling of covered  
4-62 television equipment.

4-63 (b) The collection report must include:

4-64 (1) an inventory of covered television equipment  
4-65 collection, reuse, and recycling opportunities that are currently  
4-66 available to consumers through the individual television  
4-67 manufacturer or the recycling leadership program in this state; and

4-68 (2) documentation of collection opportunities  
4-69 available to consumers in counties with populations of less than

5-1 50,000, including an analysis of the number of collection sites  
5-2 available to consumers in those counties compared to the number of  
5-3 opportunities available to consumers in those counties to purchase  
5-4 new covered television equipment.

5-5 (c) The inventory of covered television equipment  
5-6 collection, reuse, and recycling opportunities required by  
5-7 Subsection (b)(1) may be submitted in the form of a map noting the  
5-8 location of the opportunities.

5-9 (d) The collection report may include:

5-10 (1) a listing of other existing collection and  
5-11 recycling infrastructure for covered television equipment not  
5-12 associated with the recycling leadership program, including  
5-13 electronic recyclers and repair shops, recyclers of other  
5-14 appropriate commodities, reuse organizations, not-for-profit  
5-15 corporations, retailers, and other suitable operations, including  
5-16 local government collection events, if available; and

5-17 (2) the amount by weight of the covered television  
5-18 equipment that the individual television manufacturer or the  
5-19 recycling leadership program has collected in the preceding year.

5-20 Sec. 361.980. RETAILER RESPONSIBILITY. (a) A retailer may  
5-21 order and sell only products from a television manufacturer that is  
5-22 included on the list published under Section 361.983(a). A  
5-23 retailer shall consult that list before ordering covered television  
5-24 equipment in this state. A retailer is considered to have complied  
5-25 with this subsection and may sell a product in the retailer's  
5-26 inventory if, on the date the product was ordered from the  
5-27 television manufacturer, the television manufacturer was listed on  
5-28 the Internet website described by Section 361.983(a).

5-29 (b) A person who is a retailer of covered television  
5-30 equipment shall provide to consumers in writing the information  
5-31 published by the commission regarding the legal disposition and  
5-32 recycling of television equipment. The information may be included  
5-33 with the sales receipt or as part of the packaging of the equipment.  
5-34 Alternatively, the retailer may provide the information required by  
5-35 this subsection through a toll-free telephone number and address of  
5-36 an Internet website provided to consumers.

5-37 (c) This subchapter does not require a retailer to collect  
5-38 covered television equipment for recycling.

5-39 Sec. 361.981. RECYCLER RESPONSIBILITIES. A person who is  
5-40 engaged in the business of recycling covered television equipment  
5-41 in this state shall:

5-42 (1) register with the commission and certify that the  
5-43 person is in compliance with the standards adopted under Section  
5-44 361.990;

5-45 (2) on or before January 31 of each year renew the  
5-46 registration with the commission and certify the person's continued  
5-47 compliance with the standards adopted under Section 361.990;

5-48 (3) recycle all covered television equipment accepted  
5-49 for recycling in accordance with the standards adopted under  
5-50 Section 361.990;

5-51 (4) maintain a written log recording the weight of all  
5-52 covered television equipment received by the person and the  
5-53 disposition of that equipment; and

5-54 (5) annually report to the commission the total weight  
5-55 of covered television equipment received and recycled by the person  
5-56 in the preceding 12 months.

5-57 Sec. 361.982. LIABILITY. (a) A television manufacturer,  
5-58 retailer, or person who recycles covered television equipment is  
5-59 not liable in any way for information in any form that a consumer  
5-60 leaves on covered television equipment that is collected or  
5-61 recycled under this subchapter.

5-62 (b) This subchapter does not exempt a person from liability  
5-63 under other law.

5-64 Sec. 361.983. COMMISSION RESPONSIBILITIES. (a) The  
5-65 commission shall publish on a publicly accessible Internet website:

5-66 (1) a list of television manufacturers who have  
5-67 registered with the commission; and

5-68 (2) a list of television manufacturers who are in full  
5-69 compliance with this subchapter.

6-1 (b) The commission shall remove television manufacturers no  
 6-2 longer in compliance with this subchapter from the Internet website  
 6-3 once each calendar quarter.

6-4 (c) The commission shall educate consumers regarding the  
 6-5 collection and recycling of covered television equipment.

6-6 (d) The commission shall host or designate another person to  
 6-7 host an Internet website and shall provide a toll-free telephone  
 6-8 number to provide consumers with information about the recycling of  
 6-9 covered television equipment, including best management practices  
 6-10 and information about or links to information about:

6-11 (1) television manufacturers' collection and  
 6-12 recycling programs, including television manufacturers' recovery  
 6-13 plans; and

6-14 (2) covered television equipment collection events,  
 6-15 collection sites, and community television equipment recycling  
 6-16 programs.

6-17 (e) Information about collection and recycling provided on  
 6-18 a television manufacturer's publicly available Internet website  
 6-19 and through a toll-free telephone number does not constitute a  
 6-20 determination by the commission that the television manufacturer's  
 6-21 recovery plan or actual practices are in compliance with this  
 6-22 subchapter or other law.

6-23 (f) Not later than February 15 of each year, the commission  
 6-24 shall establish the state recycling rate by computing the ratio of  
 6-25 the weight of total returns of covered television equipment in this  
 6-26 state by television manufacturers submitting a recovery plan under  
 6-27 Section 361.977 to the total weight of covered television equipment  
 6-28 sold in this state by television manufacturers submitting a  
 6-29 recovery plan under Section 361.977 during the preceding year.

6-30 (g) Not later than March 1 of each year, the commission  
 6-31 shall compute and provide to each registered television  
 6-32 manufacturer submitting a recovery plan under Section 361.977 the  
 6-33 television manufacturer's market share allocation for collection,  
 6-34 reuse, and recycling for that year. A television manufacturer's  
 6-35 market share allocation equals the weight of the television  
 6-36 manufacturer's covered television equipment sold in this state  
 6-37 during the preceding calendar year multiplied by the state  
 6-38 recycling rate determined under Subsection (f).

6-39 (h) In any year in which more than one recycling leadership  
 6-40 program is implemented under Section 361.978, the commission shall  
 6-41 review all active recycling leadership programs established under  
 6-42 this subchapter to ensure the programs are operating in a manner  
 6-43 consistent with the goals of this subchapter, including a balanced  
 6-44 recycling effort. Based on the commission's review, the commission  
 6-45 may make recommendations to the legislature on ways to improve the  
 6-46 balance of the recycling effort.

6-47 (i) The commission shall provide to each county and  
 6-48 municipality of this state information regarding the legal disposal  
 6-49 and recycling of covered television equipment. The information  
 6-50 must be provided in writing.

6-51 Sec. 361.984. ENFORCEMENT. (a) The commission may conduct  
 6-52 audits and inspections to ensure compliance with this subchapter  
 6-53 and rules adopted under this subchapter.

6-54 (b) The commission and the attorney general, as  
 6-55 appropriate, shall enforce this subchapter and, except as provided  
 6-56 by Subsections (d) and (e), take enforcement action against a  
 6-57 television manufacturer, a retailer, or a person who recycles  
 6-58 covered television equipment.

6-59 (c) The executive director or the attorney general may  
 6-60 institute a suit under Section 7.032, Water Code, to enjoin an  
 6-61 activity related to the sale of covered television equipment in  
 6-62 violation of this subchapter.

6-63 (d) The commission shall issue a warning notice to a person  
 6-64 on the person's first violation of this subchapter. The person must  
 6-65 comply with this subchapter not later than the 60th day after the  
 6-66 date the warning notice is issued.

6-67 (e) A retailer who receives a warning notice from the  
 6-68 commission that the retailer's inventory violates this subchapter  
 6-69 because it includes covered television equipment from a television

7-1 manufacturer that is not in compliance with this subchapter must  
 7-2 bring the inventory into compliance with this subchapter not later  
 7-3 than the 60th day after the date the warning notice is issued.

7-4 Sec. 361.985. FINANCIAL AND PROPRIETARY INFORMATION.  
 7-5 Financial or proprietary information submitted to the commission  
 7-6 under this subchapter is exempt from public disclosure under  
 7-7 Chapter 552, Government Code.

7-8 Sec. 361.986. ANNUAL REPORT TO LEGISLATURE. (a) The  
 7-9 commission shall compile information from television manufacturers  
 7-10 and issue an electronic report to the committee in each house of the  
 7-11 legislature having primary jurisdiction over environmental matters  
 7-12 not later than March 1 of each year.

7-13 (b) The report must include:

7-14 (1) collection information provided to the commission  
 7-15 by each television manufacturer's annual report required by Section  
 7-16 361.976(b) or 361.979(a), as applicable;

7-17 (2) a summary of comments that have been received from  
 7-18 stakeholders such as television manufacturers, electronic  
 7-19 equipment recyclers, local governments, and nonprofit  
 7-20 organizations;

7-21 (3) any recommendations under Section 361.983(h); and

7-22 (4) any other information that would assist the  
 7-23 legislature in evaluating the effectiveness of this subchapter.

7-24 Sec. 361.987. PROGRESS REPORT. (a) Not later than  
 7-25 September 1, 2017, the commission shall submit a report to the  
 7-26 lieutenant governor, the speaker of the house of representatives,  
 7-27 and the committees in each house of the legislature having primary  
 7-28 jurisdiction over:

7-29 (1) environmental matters;

7-30 (2) state affairs; and

7-31 (3) business.

7-32 (b) The report must include:

7-33 (1) an evaluation of the effectiveness of covered  
 7-34 television equipment collection, reuse, and recycling efforts  
 7-35 under this subchapter; and

7-36 (2) any recommendations for improvement of the  
 7-37 collection, reuse, and recycling efforts under this subchapter.

7-38 (c) In order to prepare the report required under Subsection  
 7-39 (a), the commission shall require any recycling leadership program  
 7-40 established under Section 361.978 to submit the program's  
 7-41 collection amount in weight for the preceding six years.

7-42 (d) This section expires September 1, 2018.

7-43 Sec. 361.988. FEES. (a) Except as provided by Section  
 7-44 361.976(a), this subchapter does not authorize the commission to  
 7-45 impose a fee, including a recycling fee, on a consumer, television  
 7-46 manufacturer, retailer, or person who recycles covered television  
 7-47 equipment.

7-48 (b) Fees or costs collected under this subchapter may be  
 7-49 used by the commission only to implement this subchapter.

7-50 Sec. 361.989. CONSUMER RESPONSIBILITIES. (a) A consumer  
 7-51 is responsible for any information in any form left on the  
 7-52 consumer's covered television equipment that is collected or  
 7-53 recycled.

7-54 (b) A consumer is encouraged to learn about recommended  
 7-55 methods for recycling covered television equipment that has reached  
 7-56 the end of its useful life by visiting the commission's and  
 7-57 television manufacturers' Internet websites or calling their  
 7-58 toll-free telephone numbers.

7-59 Sec. 361.990. MANAGEMENT OF COLLECTED TELEVISION  
 7-60 EQUIPMENT. (a) Covered television equipment collected under this  
 7-61 subchapter must be disposed of or recycled in a manner that complies  
 7-62 with federal, state, and local law.

7-63 (b) For the purposes of recycling, reusing, or otherwise  
 7-64 disposing of collected covered television equipment, a television  
 7-65 manufacturer must follow the standards established under  
 7-66 "Responsible Recycling Practices for Use in Accredited  
 7-67 Certification Programs for Electronic Recyclers," "e-Stewards  
 7-68 Standard for Responsible Recycling and Reuse of Electronic  
 7-69 Equipment," or the recycling standards adopted by the commission or

8-1 use a recycler that follows those standards.

8-2 Sec. 361.991. STATE PROCUREMENT REQUIREMENTS. (a) In  
8-3 this section, "state agency" has the meaning assigned by Section  
8-4 2052.101, Government Code.

8-5 (b) A person who submits a bid for a contract with a state  
8-6 agency for the purchase or lease of covered television equipment  
8-7 must be in compliance with this subchapter.

8-8 (c) A state agency that purchases or leases covered  
8-9 television equipment shall require a prospective bidder to certify  
8-10 the bidder's compliance with this subchapter before the agency may  
8-11 accept the prospective bidder's bid.

8-12 (d) In considering bids for a contract for covered  
8-13 television equipment, in addition to any other preferences provided  
8-14 under other laws of this state, the state shall give special  
8-15 preference to a television manufacturer that:

8-16 (1) through its recovery plan collects more than its  
8-17 market share allocation; or

8-18 (2) provides collection sites or recycling events in  
8-19 any county located in a council of governments region in which there  
8-20 are fewer than six permanent collection sites open at least twice  
8-21 each month.

8-22 (e) The comptroller shall adopt rules to implement this  
8-23 section.

8-24 Sec. 361.992. FEDERAL PREEMPTION; EXPIRATION. (a) If  
8-25 federal law establishes a national program for the collection and  
8-26 recycling of covered television equipment and the commission  
8-27 determines that the federal law substantially meets the purposes of  
8-28 this subchapter, the commission may adopt an agency statement that  
8-29 interprets the federal law as preemptive of this subchapter.

8-30 (b) This subchapter expires on the date the commission  
8-31 issues a statement under this section.

8-32 SECTION 2. Subsections (b-1) and (b-2), Section 7.052,  
8-33 Water Code, are amended to read as follows:

8-34 (b-1) The amount of the penalty assessed against a  
8-35 manufacturer that does not label its computer equipment or covered  
8-36 television equipment or adopt and implement a recovery plan as  
8-37 required by Section 361.955, 361.975, or 361.977, Health and Safety  
8-38 Code, as applicable, may not exceed \$10,000 for the second  
8-39 violation or \$25,000 for each subsequent violation. A penalty  
8-40 under this subsection is in addition to any other penalty that may  
8-41 be assessed for a violation of Subchapter Y or Z, Chapter 361,  
8-42 Health and Safety Code.

8-43 (b-2) Except as provided by Subsection (b-1), the amount of  
8-44 the penalty for a violation of Subchapter Y or Z, Chapter 361,  
8-45 Health and Safety Code, may not exceed \$1,000 for the second  
8-46 violation or \$2,000 for each subsequent violation. A penalty under  
8-47 this subsection is in addition to any other penalty that may be  
8-48 assessed for a violation of Subchapter Y or Z, Chapter 361, Health  
8-49 and Safety Code.

8-50 SECTION 3. (a) The Texas Commission on Environmental  
8-51 Quality shall adopt any rules required to implement this Act not  
8-52 later than May 1, 2012.

8-53 (b) This Act may not be enforced before July 1, 2012.

8-54 (c) A report required under Section 361.976, Health and  
8-55 Safety Code, as added by this Act, is not required to be prepared or  
8-56 submitted for the first time before July 1, 2013.

8-57 (d) A recovery plan required under Section 361.977, Health  
8-58 and Safety Code, as added by this Act, is not required to be  
8-59 prepared and submitted before July 1, 2013.

8-60 (e) To qualify as a member of a recycling leadership program  
8-61 for 2013 under Section 361.978, Health and Safety Code, as added by  
8-62 this Act, a television manufacturer must provide documentation to  
8-63 the Texas Commission on Environmental Quality that the manufacturer  
8-64 is participating in a program before January 1, 2013.

8-65 (f) A collection report required under Section 361.979,  
8-66 Health and Safety Code, as added by this Act, is not required to be  
8-67 prepared and submitted for the first time before March 1, 2013.

8-68 (g) A retailer of covered television equipment is not  
8-69 required to provide the information described by Subsection (b),



9-1 Section 361.980, Health and Safety Code, as added by this Act,  
9-2 before the date on which the Texas Commission on Environmental  
9-3 Quality rules implementing this Act take effect.

9-4 (h) Not later than September 1, 2013, the Texas Commission  
9-5 on Environmental Quality shall prepare and post for the first time  
9-6 the list required under Section 361.983, Health and Safety Code, as  
9-7 added by this Act.

9-8 (i) Notwithstanding Section 361.984, Health and Safety  
9-9 Code, as added by this Act, a retailer of television equipment may  
9-10 sell television equipment inventory that the retailer acquired  
9-11 before September 1, 2013, without incurring a penalty.

9-12 (j) The Texas Commission on Environmental Quality is not  
9-13 required to prepare or submit for the first time the report required  
9-14 under Section 361.986, Health and Safety Code, as added by this Act,  
9-15 before March 1, 2014.

9-16 SECTION 4. This Act takes effect September 1, 2011.

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