Wisconsin Legislative Council ACT MEMO



Prepared by: Benjamin Kranner, Staff Analyst

2021 Wisconsin Act 79 [2021 Senate Bill 248]

Changes to the Electronic Waste Recycling Program

BACKGROUND

Under state law, the Department of Natural Resources (DNR) administers an electronic waste recycling program, often referred to as E-Cycle Wisconsin. Under the program, an electronics manufacturer may not sell covered electronic devices to a household or covered school, or deliver covered electronic devices to a retailer for subsequent sale to a household or covered school, unless certain requirements are met. Among these requirements, an electronics manufacturer must generally register with DNR, pay certain fees, report specific information, and recycle or arrange for the recycling of eligible electronic devices. Additionally, statutes establish requirements for collectors and recyclers of electronic devices.

2021 Wisconsin Act 79 makes various changes to the electronic waste recycling program. Among these changes, the act directs DNR to create and administer a grant program to expand electronic waste recycling programs in underserved areas of the state.

CHANGES TO SCHOOLS COVERED UNDER THE PROGRAM

Various provisions under the electronic waste recycling program relate to electronic devices used by schools and households. Under prior law, schools covered under the program consisted of K-12 public schools and K-12 private schools participating in a parental choice program. The act expands the definition of schools covered under the program to include all public or private elementary and secondary schools (including charter schools), as well as tribal schools.

MODIFICATION TO PROGRAM YEARS

Under the electronic waste recycling program, various requirements are established for each "program year." Prior law established that a program year consisted of the period running from July 1 to the following June 30 (i.e., the state fiscal year). The act changes a program year from a state fiscal year to a calendar year. It also establishes an 18-month "transition year," consisting of the period running from July 1, 2022 to December 31, 2023.

The act modifies various deadlines and other requirements to accommodate the change to the program year and the creation of the transition year.

DEFINITION OF CONSUMER PRINTERS

Wisconsin law prohibits a manufacturer from selling "covered electronic devices" unless the manufacturer meets certain requirements under the electronic waste recycling program. Among these requirements, a manufacturer must generally recycle, or arrange for the recycling of, "eligible electronic

devices." Statutes define both "covered electronic device" and "eligible electronic device" to include various devices, including consumer printers.

The act narrows the definition of a consumer printer, specifying that a consumer printer does not include a floor-standing printer, an automated teller machine, or a point-of-sale receipt printer. It also provides that a consumer printer does not include a household printing device similar to a calculator with printing capabilities or a label maker.

REGISTRATION FEE THRESHOLDS

Current law establishes registration fees for manufacturers based upon the number of covered electronic devices the manufacturer sold in the state in the previous program year. Prior law established registration fees as follows:

- A manufacturer that sold at least 250 covered electronic devices was subject to a registration fee of \$5,000.
- A manufacturer that sold at least 25 but fewer than 250 devices was subject to a registration fee of \$1,250.
- A manufacturer that sold fewer than 25 devices was not required to pay a registration fee.

The act raises the sales thresholds for determining manufacturer registration fees. Specifically, the act establishes the following thresholds:

- A manufacturer that sold at least 500 covered electronic devices is subject to a registration fee of \$5,000.
- A manufacturer that sold at least 250 but fewer than 500 devices is subject to a registration fee of \$1,250.
- A manufacturer that sold fewer than 250 devices is not required to pay a registration fee.

In addition to the above, the act specifies unique sales thresholds and registration fees in the year immediately following the transition year. These fees and thresholds are one and a half times the fees and thresholds set for other program years, reflecting the 18-month duration of the transition year.

The act provides that DNR may promulgate rules to modify the registration fees for manufacturers that sold at least 375 devices during the transition year. It also preserves DNR authority to promulgate rules to modify registration fees for manufacturers that sold at least 250 devices in program years other than the transition year.

Reporting of Devices Used in Urban and Rural Counties

Under the electronic waste recycling program, a manufacturer must report the weight of eligible devices recycled by or on behalf of the manufacturer. A manufacturer must generally meet a target recycling weight or pay a shortfall fee.

Under prior law, manufacturers could opt to report separately the weight of eligible devices used by households or covered schools in urban counties from the weight of eligible electronic devices used by households or covered schools in rural counties. In turn, the weight of devices collected from rural counties would be multiplied by 1.25 when determining whether a manufacturer met its recycling target.

Under the act, manufacturers are required to report separately the weights of devices collected from urban and rural counties. The act maintains the weight adjustment for devices collected from rural counties.

RURAL ELECTRONICS RECYCLING GRANTS

The act directs DNR to create and administer a grant program to expand electronic waste recycling and recovery programs in underserved areas of the state. Funding for the grant program is provided from the environmental fund through the appropriation for the electronic waste recycling program.

Under the act's grant program, grants may be provided to local units of government, tribal governing bodies, businesses, and nonprofit entities, including religious nonprofit entities. The grants may be awarded for the purpose of hosting a collection site or collection event, or a series of collection sites or collection events. Grants may be used to rent space or acquire materials necessary to host a collection site or collection event, advertise for a site or event, and cover staff expenses for a site or event. Additionally, grants may be used to provide for the transportation of collected electronic devices to a registered recycler, as well as other expenses allowed by DNR. Under the grant program, a grant recipient must provide matching funds equal to at least 20 percent of the cost of the project for which the grant is awarded. The act also specifies priority criteria for DNR to use when awarding grants.

Effective date: August 8, 2021

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