AMENDED IN SENATE JUNE 20, 2005 AMENDED IN ASSEMBLY JUNE 1, 2005

CALIFORNIA LEGISLATURE—2005–06 REGULAR SESSION

ASSEMBLY BILL

No. 1125

Introduced by Assembly Member Pavley (Coauthors: Assembly Members Hancock, Koretz, Laird, Leno, Levine, Lieber, and Saldana)

(Coauthor: Senator Kuchl Coauthors: Senators Kuehl and Torlakson)

February 22, 2005

An act to add Chapter 8.4 (commencing with Section 42451) to Part 3 of Division 30 of the Public Resources Code, relating to solid waste.

LEGISLATIVE COUNSEL'S DIGEST

AB 1125, as amended, Pavley. Household-Rechargeable Battery Recycling Act.

Existing law—authorizes the California Integrated Waste Management Board to conduct a study on the disposal and recyclability of household batteries requires rechargeable batteries to be appropriately labeled and requires the instruction manual for a rechargeable consumer product to include information regarding the proper recycling and disposal of the rechargeable battery. Existing also regulates the management of federally regulated batteries, as defined.

This bill would enact the Household Rechargeable Battery Recycling Act of 2006 and would define terms for purposes of the act, including "household rechargeable battery."

The act would require, on and after July 1, 2006, a retailer of household rechargeable batteries sold in this state to have in place a system for the acceptance and collection of used—household

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rechargeable batteries for reuse, recycling, or proper disposal with specified elements, including the take-back at no cost to the consumer of a used household rechargeable battery, the type or brand of which the retailer sold or previously sold.

The bill would prohibit the sale of a household rechargeable battery to a consumer in this state after July 1, 2006, unless the retailer of that household battery complies with the act.

The bill would require the Department of Toxic Substances Control, by July 1, 2007, and each July 1 thereafter, to post on its Web site an estimated California recycling rate for *all types of hazardous* household batteries.

The bill would also direct a state agency that purchases household batteries to require each prospective bidder, to certify that it and its agents, subsidiaries, partners, joint venturers, and subcontractors for the procurement, have complied with the act.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Chapter 8.4 (commencing with Section 42451) is added to Part 3 of Division 30 of: the Public Resources Code, to read:

CHAPTER 8.4. HOUSEHOLD-RECHARGEABLE BATTERY RECYCLING ACT OF 2006

Article 1. General Provisions

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- 42451. (a) This chapter shall be known, and may be cited, as the Household Rechargeable Battery Recycling Act of 2006.
 - (b) The Legislature finds and declares all of the following:
- (1) The Department of Toxic Substances Control has determined that, due to their hazardous material content, the solid waste disposal of all-household *rechargeable* batteries should be prohibited. A regulation authorizing a temporary householder exemption to this prohibition will expire, by its own terms, in February 2006.
- (2) The purpose of this chapter is to enact a comprehensive and innovative system for the reuse, recycling, and proper and

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legal disposal of previously used—household rechargeable batteries.

- (3) It is the further purpose of this chapter to enact a law that establishes a program that is convenient for consumers and the public to return, recycle, and ensure the safe and environmentally sound disposal of used—household rechargeable batteries, and that provides for a system that does not charge the consumer when a-household rechargeable battery is returned.
- (4) It is the intent of the Legislature that the cost associated with the handling, recycling, and disposal of used-household rechargeable batteries be the responsibility of the producers and consumers of-household rechargeable batteries, and not local government or their service providers, state government, or taxpayers.
- (5) In order to reduce the likelihood of illegal disposal of hazardous materials, it is the intent of this chapter to ensure that all costs associated with the proper management of used household rechargeable batteries is internalized by the producers and consumers of household rechargeable batteries at or before the point of purchase, and not at the point of discard.
- (6) Manufacturers and retailers of household rechargeable batteries, in working to achieve the goals and objectives of this chapter, should have the flexibility to partner with each other and with those private and nonprofit business enterprises that currently provide collection and processing services to develop and promote a safe and effective used household rechargeable battery recycling system for California.
- (7) The producers of household rechargeable batteries should reduce and, to the extent feasible, ultimately phase out the use of hazardous materials in household rechargeable batteries.
- (8) Household–Rechargeable batteries, to the greatest extent feasible, should be designed for extended life and reuse.
- (9) The purpose of this chapter is to provide for the safe, cost free, and convenient collection, reuse, and recycling of 100 percent of the household rechargeable batteries discarded or offered for recycling in the state.
- (10) In establishing a cost-effective system for the recovery, reuse, recycling, and proper disposal of used—household rechargeable batteries, it is the intent of the Legislature to encourage manufacturers and retailers to build on the retailer

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take-back systems initiated by the Rechargeable Battery Recycling Coalition and others.

Article 2. Definitions

- 42452. For the purposes of this chapter, the following terms have the following meanings, unless the context clearly requires otherwise:
- (a) "Consumer" means a purchaser or owner of a household rechargeable battery. "Consumer" also includes a business, corporation, limited partnership, nonprofit organization, or governmental entity, but does not include an entity involved in a wholesale transaction between a distributor and retailer.
- (b) "Department" means the Department of Toxic Substances Control.
- (c) (1) "Household battery" means a device consisting of one or more electrically connected electrochemical cells that is designed to receive, store, and deliver electric energy. For purposes of this subdivision, "electrochemical cell" means a system consisting of an anode, cathode, and an electrolyte, plus those electrical and mechanical connections that may be needed to allow the cell to deliver or receive electrical energy.
- (2) "Household battery" also includes an intact, unbroken battery from which the electrolyte has been removed.
- (3) "Household battery" does not include a spent lead-acid battery that is managed under Article 10.5 (commencing with Section 25215) of Chapter 6.5 of Division 20 of the Health and Safety Code. A small scaled lead-acid storage battery is not a lead-acid battery for purposes of this section. A battery sold by a retailer to a consumer that the retailer installs in a device and that is not handled by the consumer at the point of purchase, is not a household battery.
- (c) "Rechargeable battery" means a small, nonvehicular, rechargeable nickel-cadmium or sealed lead-acid battery, or a battery pack containing these types of batteries.
- (d) "Retailer" means a person who sells a household rechargeable battery in the state to a consumer, including a manufacturer of a household rechargeable battery who sells that household rechargeable battery directly to a consumer. A sale includes, but is not limited to, transactions conducted through

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sales outlets, catalogs, or the Internet, or any other similar electronic means, but does not include a sale that is a wholesale transaction with a distributor or retailer. "Retailer" does not include a person who sells primarily food and is listed in the Progressive Grocers Guide Progressive Marketing Grocers Guidebook. "Retailer" does not include a person who has less than one million dollars (\$1,000,000) annually in gross sales.

- (e) (1) "Sell" or "sale" means a transfer for consideration of title or of the right to use, by lease or sales contract, including, but not limited to, transactions conducted through sales outlets, catalogs, or the Internet or any other similar electronic means, but does not include a wholesale transaction with a distributor or a retailer.
- (2) For purposes of this subdivision and subdivision (d), "distributor" means a person who sells a household rechargeable battery to a retailer.
- (f) "Used-household rechargeable battery" means a-household rechargeable battery that has been previously used and is made available, by a consumer, for reuse, recycling, or proper disposal.

Article 3. Household Battery Recycling

- 42453. (a) (1) On and after July 1, 2006, every retailer of household rechargeable batteries sold in this state shall have in place a system for the acceptance and collection of used household rechargeable batteries for reuse, recycling, or proper disposal.
- (2) A retailer is not subject to the requirements of this chapter for the sale of rechargeable batteries that are contained in or packaged with a battery operated device.
- (b) A system for the acceptance and collection of used household rechargeable batteries for reuse, recycling, or proper disposal shall, at a minimum, include all of the following elements:
- (1) (A) The take-back at no cost to the consumer of a used household rechargeable battery, the type or brand of which the retailer sold or previously sold.
- (B) A retailer's no-cost take-back obligation may be limited to a quantity equal to the number sold at the time of the take-back or previously sold to the consumer.

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1 (2) If the retailer-delivers a household battery directly sells a 2 rechargeable battery to a consumer in this state, the system 3 provides the consumer through a catalog order, telephone order, 4 or other method that does not involve in-store sales, the retailer 5 shall provide the consumer with reasonable notice, at the time of delivery, with a mechanism of the requirements and 7 opportunities for the return of used-household rechargeable 8 batteries for reuse, recycling, or proper disposal, at no cost to the consumer. That notice may include informational materials packaged with the battery that direct consumers to a location in 10 their community where they can return used batteries at no cost 11 to the consumer, or a telephone number or an Internet Web site 12 where consumers can obtain community-specific information 13 14 about the opportunities for no-cost battery recycling.

- (3) Making information available to consumers about household rechargeable battery recycling opportunities provided by the retailer and encouraging consumers to utilize those opportunities. This information may include, but is not limited to, one or more of the following:
- (A) Signage that is prominently displayed and easily visible to the consumer.
- (B) Written materials provided to the consumer at the time of purchase or delivery, or both.
- (C) Reference to the household rechargeable batteries recycling opportunity in retailer advertising or other promotional materials, or both.
- (D) Direct communications with the consumer at the time of purchase.
- (c) An individual retailer location that is actively participating in the Rechargeable Battery Recycling Coalition's battery take-back and recycling program, and has implemented one or more of the public education components described in paragraph (3) of subdivision (b) shall be deemed in compliance with this article.
- 35 42454. On and after July 1, 2006, it is unlawful to sell a 36 household rechargeable battery to a consumer in this state unless 37 the retailer of that household battery complies with this chapter.

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Article 4. Statewide Recycling Goals

42456. On or before July 1, 2007, and each July 1 thereafter, the department shall post on its Web site an estimated California recycling rate for *all types of hazardous* household batteries, the numerator of which shall be the estimated number of *each type of* household batteries returned for recycling in California during the previous calendar year, and the denominator of which is the number of *each type of* household batteries estimated to be sold in this state during the previous calendar year.

Article 5. State Agency Procurement

- 42457. (a) A state agency that purchases household batteries shall require each prospective bidder to certify that it, and its agents, subsidiaries, partners, joint venturers, and subcontractors for the procurement, have complied with this chapter and any regulations adopted pursuant to this chapter, or to demonstrate that this chapter is inapplicable to all lines of business engaged in by the bidder, its agents, subsidiaries, partners, joint venturers, or subcontractors.
- (b) Failure to provide certification pursuant to this section shall render the prospective bidder and its agents, subsidiaries, partners, joint venturers, and subcontractors ineligible to bid on the procurement of household batteries.
- (c) The bid solicitation documents shall specify that the prospective bidder is required to cooperate fully in providing reasonable access to its records and documents that evidence compliance with this chapter.
- (d) Any person awarded a contract by a state agency that is found to be in violation of this section is subject to the following sanctions:
- (1) The contract shall be voided by the state agency to which the equipment, materials, or supplies were provided.
- (2) The contractor is ineligible to bid on any state contract for a period of three years.
- (3) If the Attorney General establishes in the name of the people of the State of California that any money, property, or benefit was obtained by a contractor as a result of violating this section, the court may, in addition to any other remedy, order the

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- disgorgement of the unlawfully obtained money, property, or
 benefit in the interest of justice.