

FEB 14 2006
Place On Calendar

HOUSE FILE 2362
BY COMMITTEE ON TRANSPORTATION

(SUCCESSOR TO HF 2011)

Passed House, Date 2-22-06 Passed Senate, Date 4-25-06
Vote: Ayes 98 Nays 0 Vote: Ayes 49 Nays 0

Re-passed
5-1-06 95-0 Approved _____

A BILL FOR

1 An Act providing for reassignment of a salvage certificate of
2 title for a motor vehicle.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 2362

1 Section 1. Section 321.52, subsection 4, paragraph a, Code
2 Supplement 2005, is amended to read as follows:

3 a. A vehicle rebuilder or a person engaged in the business
4 of buying, selling, or exchanging vehicles of a type required
5 to be registered in this state, upon acquisition of a wrecked
6 or salvage vehicle, shall surrender the certificate of title
7 or manufacturer's or importer's statement of origin properly
8 assigned, together with an application for a salvage
9 certificate of title, to the county treasurer of the county of
10 residence of the purchaser or transferee within thirty days
11 after the date of assignment of the certificate of title for
12 the wrecked or salvage motor vehicle. This subsection applies
13 only to vehicles with a fair market value of five hundred
14 dollars or more, based on the value before the vehicle became
15 wrecked or salvage. Upon payment of a fee of two dollars, the
16 county treasurer shall issue a salvage certificate of title
17 which shall bear the word "SALVAGE" stamped or printed on the
18 face of the title in a manner prescribed by the department. A
19 salvage certificate of title may be assigned to an educational
20 institution, a new motor vehicle dealer licensed under chapter
21 322, a person engaged in the business of purchasing bodies,
22 parts of bodies, frames or component parts of vehicles for
23 sale as scrap metal, a salvage pool, or an authorized vehicle
24 recycler licensed under chapter 321H. An authorized vehicle
25 recycler licensed under chapter 321H or a new motor vehicle
26 dealer licensed under chapter 322 may assign or reassign a
27 salvage certificate of title to any person. A vehicle on
28 which ownership has transferred to an insurer of the vehicle
29 as a result of a settlement with the owner of the vehicle
30 arising out of damage to, or unrecovered theft of, the vehicle
31 shall be deemed to be a wrecked or salvage vehicle and the
32 insurer shall comply with this subsection to obtain a salvage
33 certificate of title within thirty days after the date of
34 assignment of the certificate of title of the vehicle.

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EXPLANATION

1 Under current law, a motor vehicle dealer or recycler who
2 accepts assignment of title for a wrecked or salvage motor
3 vehicle must apply to the county treasurer and pay a \$2 fee
4 for issuance of a new salvage certificate of title prior to
5 transferring ownership of the vehicle to another party. This
6 bill would permit the dealer or recycler to reassign the
7 salvage title to another dealer or recycler, or to any other
8 person, without first obtaining a new salvage certificate of
9 title.

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Fiscal Services Division
Legislative Services Agency
Fiscal Note

SF 2362 – Civil Commitment (LSB 5404 SV)

Analyst: Beth Lenstra (Phone: [515] 281-6301) (beth.lenstra@legis.state.ia.us)

Fiscal Note Version – New

Description

Senate File 2362 permits the court for good cause to waive the presence of the physician or professional at the hearing for a respondent under Chapter 125, Code of Iowa (Chemical Substance Abuse Civil Commitment Proceedings). The Bill also requires the physician or professional to be present at the hearing for a respondent under Chapter 229, Code of Iowa (Hospitalization of Persons with Mental Illness). Senate File 2362 provides a waiver of this requirement. The Bill permits the court to allow the physician to testify by telephone for either type of civil commitment proceeding.

Background

1. Current law requires the presence of the physician for Chapter 125 hearings, and permits a waiver for good cause. It is not known how many waivers are granted.
2. Currently, doctors or professionals submit a written report of their examination of the respondent to the court for Chapter 229 hearings; they are not required to testify at the hospitalization proceeding either in person or by telephone.

Assumptions

1. There may be savings to the counties and the Department of Human Services under the amendment to Chapter 125, Code of Iowa. However, that potential savings cannot be estimated due to a lack of data.
2. Fees for physicians to testify for a court appearance ranges from \$350 for the first hour in Polk County and \$600 flat fee in Linn County. The average fee statewide is approximately \$350 per commitment hearing.
3. Under Chapter 229, Code of Iowa, there are approximately 275 commitments in Polk County annually, 400 commitments in Pottawattamie County annually, and 300 commitments in Linn County annually. The average number of commitments statewide is estimated to be 2,400 annually.
4. The physicians at the four Mental Health Institutes (MHI) could be required to testify in person or by telephone at Chapter 229, Code of Iowa hearings. There are approximately 39 court appearances per month. Another psychiatrist would need to be on campus if the physician is in court, to meet the mandatory requirements of coverage at the MHI. Cost estimates include reimbursement for mileage.

Fiscal Impact

The fiscal impact on the counties ranges from zero (if waivers are granted at every hearing) to \$1.5 million (\$350 per hearing x 2,400 hearings) if a physician is required to be in attendance at the civil commitment hearing.

The State General Fund impact on the Department of Human Services ranges from zero (if waivers are granted at every hearing) to \$300,000 if a physician is required to be in attendance.

Sources

Iowa State Association of Counties
Iowa Department of Human Services
Iowa Judicial Branch

/s/ Holly M. Lyons

March 8, 2006

The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Fiscal Services Division, Legislative Services Agency to members of the Legislature upon request.

S-5136

1 Amend House File 2362, as passed by the House, as
2 follows:

3 1. Page 1, by inserting before line 1 the
4 following:

5 "DIVISION I

6 MERCURY-FREE VEHICLE ACT

7 Section 1. FINDINGS AND DECLARATIONS.

8 1. The general assembly finds all of the
9 following:

10 a. Mercury-added switches have been used for
11 convenience lighting in vehicles sold in this state.

12 b. Mercury from the mercury-added switches may be
13 released into the environment when end-of-life
14 vehicles are flattened, crushed, shredded, melted, or
15 otherwise processed for recycling.

16 c. Removing mercury-added switches from end-of-
17 life vehicles is an effective way to prevent mercury
18 from being released into the environment.

19 d. It is in the public interest of the residents
20 of this state to reduce the quantity of mercury
21 entering the environment by removing mercury-added
22 switches from end-of-life vehicles.

23 e. Pollution prevention is the preferred strategy
24 to reduce mercury in the environment and is a more
25 desirable strategy than waste management and pollution
26 control. Preventing mercury or mercury-containing
27 components from entering thermal combustion units is
28 an effective way to reduce mercury emissions into the
29 environment.

30 f. Vehicle mercury-added switch collection
31 programs are being established across the United
32 States to protect human health and the environment.

33 2. The general assembly declares that the purpose
34 of this division is to reduce the quantity of mercury
35 in the environment by doing all of the following:

36 a. Removing mercury from vehicles in commerce and
37 end-of-life vehicles in Iowa.

38 b. Creating a collection and recovery program for
39 mercury switches removed from vehicles in Iowa.

40 c. Establishing a system to store the mercury
41 collected and recovered from vehicle components in the
42 event that environmentally appropriate management
43 technologies are not available.

44 d. Promoting the design of future vehicles for
45 maximum environmental protection and recyclability at
46 the end of their useful lives by implementing a design
47 for a recycling program which includes phasing out the
48 use of mercury in future vehicle models.

49 Sec. 2. NEW SECTION. 455B.801 SHORT TITLE.

50 This division shall be known and may be cited as

S-5136

1 the "Mercury-Free Vehicle Act".

2 Sec. 3. NEW SECTION. 455B.802 DEFINITIONS.

3 As used in this division, unless the context
4 otherwise requires:

5 1. "Capture rate" means the amount of mercury
6 removed, collected, and recovered from vehicles in
7 commerce and end-of-life vehicles, expressed as a
8 percentage of the total mercury available from
9 vehicles in commerce and end-of-life vehicles
10 annually.

11 2. "Closed loop recycling system" means a system
12 whereby materials or components are routinely
13 collected and handled within a process or managed
14 system that controls the materials or components for
15 reuse, remanufacturing, recycling, or otherwise
16 prevents the materials or components from entering the
17 waste stream.

18 3. "End-of-life vehicle" means any vehicle that
19 does not exceed ten thousand pounds gross vehicle
20 weight which is sold, given, or otherwise conveyed to
21 a vehicle recycler or scrap recycling facility for the
22 purpose of recycling.

23 4. "Manufacturer" means any person which is the
24 last person to produce or assemble a new vehicle that
25 utilizes mercury-added components, or in the case of
26 an imported vehicle, the importer or domestic
27 distributor of such vehicle.

28 5. "Manufacturer-dealer warranty program" means an
29 arrangement between a manufacturer and a franchisee of
30 the manufacturer, whereby the manufacturer agrees to
31 reimburse the franchisee, at an established rate, for
32 labor or parts necessary to repair a vehicle pursuant
33 to the manufacturer's original equipment warranty to
34 the original purchaser of the vehicle.

35 6. "Mercury-added component" means a component
36 that contains mercury which was intentionally added in
37 order to provide a specific characteristic,
38 appearance, or quality or to perform a specific
39 function, or for any other reason. Such components
40 may include, but are not limited to, switches,
41 sensors, lights, and navigational systems used in
42 vehicles.

43 7. "Mercury-added switch" means a light switch
44 that contains mercury which was installed by an
45 automotive manufacturer in a motor vehicle.

46 8. "Scrap recycling facility" means a fixed
47 location where machinery and equipment are utilized
48 for processing and manufacturing scrap metal into
49 prepared grades and whose principal product is scrap
50 iron, scrap steel, or nonferrous metallic scrap for

1 sale for remelting purposes.

2 9. "Service replacement part" means a part that is
3 identical to an original equipment part and that is
4 used exclusively in the repair or service of original
5 equipment components.

6 10. "Vehicle in commerce" means any vehicle that
7 does not exceed ten thousand pounds gross vehicle
8 weight offered for sale by a motor vehicle dealer or
9 registered in this state to be operated on public
10 roads and highways.

11 11. "Vehicle recycler" means any person engaged in
12 the business of acquiring, dismantling, or destroying
13 six or more vehicles in a calendar year for the
14 primary purpose of resale of the vehicles' parts.

15 Sec. 4. NEW SECTION. 455B.803 PLANS FOR REMOVAL,
16 REPLACEMENT, COLLECTION, AND RECOVERY OF VEHICLE
17 MERCURY SWITCHES.

18 1. Within ninety days of the effective date of
19 this Act, each manufacturer of vehicles sold in this
20 state shall, individually or as part of a group,
21 submit to the department for review and approval a
22 plan for a system to remove, replace, collect, and
23 recover mercury-added switches in vehicles
24 manufactured by the manufacturer.

25 2. a. Upon approval of the plan, the manufacturer
26 shall implement a system to remove; replace, when
27 possible; collect; and recover mercury-added switches
28 from vehicles in commerce and end-of-life vehicles.
29 For vehicles in commerce, the system shall provide for
30 the removal, collection, and recovery of mercury-
31 added switches, and when possible replace the mercury-
32 added switches with mercury-free alternatives. The
33 system shall also provide for the removal, collection,
34 and recovery of mercury-added switches from end-of-
35 life vehicles.

36 b. The system developed and implemented pursuant
37 to this section shall include, at a minimum, all of
38 the following:

39 (1) An education program to inform the public and
40 other stakeholders about the purpose of the collection
41 program and how to participate in the program.

42 (2) A plan for implementing and financing the
43 system, in accordance with subsection 3.

44 (3) Documentation of the willingness of all
45 necessary parties to implement the proposed system.

46 (4) Information identifying the make, model, and
47 year of vehicles containing mercury-added switches, a
48 description of the component, the location of these
49 components, and the safe, cost-effective, and
50 environmentally sound methods for the removal of the

1 mercury-added switches from vehicles in commerce and
2 end-of-life vehicles.

3 (5) A target mercury-added switch capture rate for
4 vehicles manufactured by the manufacturer of at least
5 ninety percent, consistent with the principle that
6 mercury-added switches shall be recovered unless the
7 part is inaccessible due to significant damage to the
8 vehicle in the area surrounding where the mercury-
9 added switch is located.

10 (6) A description of the performance measures to
11 be utilized and reported on by the manufacturer to
12 demonstrate that the system is meeting the capture
13 rate identified in subparagraph (5) and other measures
14 of program effectiveness, including, but not limited
15 to, the number of switches collected from both end-
16 of-life and vehicles in commerce, the amount of
17 mercury collected, the number of vehicles manufactured
18 by the manufacturer containing mercury-added switches,
19 and the number of vehicles manufactured by the
20 manufacturer processed for recycling by vehicle
21 recyclers.

22 (7) A description of additional or alternative
23 actions that shall be implemented by the manufacturer
24 to improve the system and its operation in the event
25 that the program capture rate targets established
26 under subparagraph (5) are not met.

27 (8) A plan to store the mercury collected and
28 recovered from vehicle components in the event that
29 environmentally appropriate management technologies
30 are not available.

31 c. In developing a removal, replacement,
32 collection, and recovery system for vehicles in
33 commerce, a manufacturer shall, to the extent
34 practicable, utilize existing dealerships, service
35 stations, inspection stations, repair shops, and other
36 facilities which regularly service vehicles in
37 commerce. If a manufacturer does not utilize such
38 infrastructure, the manufacturer shall include in its
39 plan the reasons for establishing a separate removal,
40 replacement, collection, and recovery infrastructure.

41 d. In developing a removal, collection, and
42 recovery system for end-of-life vehicles, a
43 manufacturer shall, to the extent practicable, utilize
44 the existing end-of-life vehicle recycling
45 infrastructure. If a manufacturer does not utilize
46 such infrastructure, the manufacturer shall include in
47 its plan the reasons for establishing a separate
48 removal, collection, and recovery infrastructure.

49 3. The total cost of the removal, replacement,
50 collection, and recovery system for mercury-added

1 switches shall be paid by the manufacturer. Costs
2 shall include, but not be limited to, all of the
3 following:

- 4 a. Labor to remove, and replace where possible,
5 mercury-added switches. Labor shall be reimbursed at
6 a rate of four dollars per mercury-added switch
7 removed.
- 8 b. Training.
- 9 c. Packaging in which to transport mercury-added
10 switches to recycling, storage, or disposal
11 facilities.
- 12 d. Shipping of mercury-added switches to
13 recycling, storage, or disposal facilities.
- 14 e. Recycling, storage, or disposal of the mercury-
15 added switches.
- 16 f. Public education materials and presentations.
- 17 g. Maintenance of all appropriate systems and
18 procedures to protect the environment from mercury
19 contamination.

20 4. The department shall do all of the following:

- 21 a. Within thirty days of receipt of a
22 manufacturer's plan, issue public notice and solicit
23 public comment on the manufacturer's plan.
- 24 b. Within ninety days after receipt of a
25 manufacturer's plan, the department shall do one of
26 the following:
 - 27 (1) Determine whether the plan complies with this
28 section. If the entire plan complies with this
29 section, the department shall approve the plan and the
30 manufacturer shall begin implementation as soon as is
31 practicable. If the entire plan does not comply with
32 this section, the department shall reject the plan and
33 inform the manufacturer of the reasons for the
34 rejection. A manufacturer that has had a plan
35 rejected shall have thirty days after receiving notice
36 of the rejection to submit a new plan.
 - 37 (2) If any part of the plan meets the requirements
38 of this section, the department shall approve that
39 part of the plan and disapprove any part of the plan
40 that does not comply with this section. The
41 manufacturer shall immediately implement all approved
42 parts of a plan as soon as is practicable and shall
43 submit a revised plan addressing the rejected parts of
44 the plan within thirty days after receipt of
45 notification of the department's partial rejection.
46 The department shall review a manufacturer's revised
47 plan within thirty days of receipt of the revised
48 plan.
- 49 c. Two hundred forty days after the date of
50 enactment of this Act, the department shall complete,

1 on behalf of a manufacturer, any portion of the plan
2 that has not been approved and the manufacturer shall
3 implement the plan as soon as is practicable.

4 d. The department shall review a manufacturer's
5 plan three years after the original date of approval
6 of the plan and every three years thereafter. The
7 department shall require modifications to the plan as
8 appropriate at the conclusion of the review and may
9 recommend cessation of activities pursuant to this
10 division if the department determines that mercury
11 reduction targets have been met.

12 Sec. 5. NEW SECTION. 455B.804 PROHIBITION AND
13 PROPER MANAGEMENT OF MERCURY-ADDED VEHICLE COMPONENTS.

14 1. Prior to delivery to a scrap recycling
15 facility, a person who sells, gives, or otherwise
16 conveys ownership of an end-of-life vehicle to the
17 scrap recycling facility for recycling shall remove
18 all mercury-added switches from such end-of-life
19 vehicle unless the mercury-added switch is
20 inaccessible due to significant damage to the end-of-
21 life vehicle in the area where the mercury-added
22 switch is located.

23 2. Notwithstanding subsection 1, a scrap recycling
24 facility may agree to accept an end-of-life vehicle,
25 which has not been intentionally flattened, crushed,
26 or baled, with mercury-added switches. If a scrap
27 recycling facility enters into such an agreement, the
28 scrap recycling facility shall be responsible for
29 removing such switches.

30 3. A person shall not represent that mercury-added
31 switches have been removed from a vehicle or vehicle
32 hulk being sold, given, or otherwise conveyed for
33 recycling if that person has not removed such mercury-
34 added switches or arranged with another person to
35 remove such switches.

36 Sec. 6. NEW SECTION. 455B.805 PHASEOUT OF
37 MERCURY-ADDED VEHICLE COMPONENTS AND EXEMPTIONS.

38 1. After June 30, 2008, to prevent emissions or
39 other releases of mercury from vehicles, a
40 manufacturer shall ensure that a mercury-added
41 component shall not be included as part of a new
42 vehicle manufactured by the manufacturer and offered
43 for sale in this state except as specified in
44 subsection 2.

45 2. All of the following components shall be exempt
46 from subsection 1 under the specified conditions:

47 a. Electronic display screens, including but not
48 limited to navigation systems, computer screens, and
49 entertainment systems where mercury is present at
50 concentrations of less than twenty milligrams per

1 screen, provided that both of the following criteria
2 are met:

3 (1) A technically and economically feasible
4 alternative does not exist that does not contain
5 mercury.

6 (2) By January 1, 2007, the manufacturer has
7 established a closed loop recycling system that
8 encourages vehicle recyclers to routinely transport
9 such components to dealerships or other designated
10 places of business.

11 b. Until January 1, 2012, mercury-added headlamps,
12 including but not limited to high-intensity discharge
13 lamps, for any manufacturer that demonstrates as of
14 January 1, 2008, that at least fifty percent of that
15 manufacturer's vehicles with high-intensity discharge
16 lamps for sale in this state do not contain mercury.

17 c. A mercury-added component in a vehicle that is
18 necessary in order to comply with federal or state
19 health or safety requirements, or for purposes of
20 national security, upon demonstration by the
21 manufacturer that a technically feasible alternative
22 does not exist that does not contain mercury, and that
23 such component will substantially improve public
24 health and safety considering any impacts the
25 component may have on overall public safety on the
26 roads, and the life-cycle impacts of the mercury use.

27 3. Effective two years after the effective date of
28 this Act, a mercury-added component shall not be
29 offered for sale for use in a vehicle after the
30 vehicle's initial sale, except service replacement
31 parts may be sold if either of the following
32 requirements are satisfied:

33 a. In the case of electronic display screens,
34 mercury is present at concentrations of less than
35 twenty milligrams per component and the manufacturer
36 has established a closed loop recycling system for the
37 screens.

38 b. In all other cases, mercury is present at
39 concentrations of less than ten milligrams per
40 component.

41 4. A manufacturer must apply, or reapply, to the
42 department for an exemption under subsection 2 or 3.

43 a. An application for an exemption must be in
44 writing, in a form acceptable to the department,
45 stating the need for an exemption and the legal basis
46 for an exemption. Subject to the issuance of public
47 notice and solicitation of public comment, the
48 department shall, within ninety days of receiving the
49 application, accept or reject the application for an
50 exemption. Specific documentation in the application

1 must include the quantity of mercury in the component
2 and all of following, as applicable:

3 (1) In the case of electronic display screens,
4 whether original equipment or a service replacement
5 part, documentation that a technically and
6 economically feasible alternative is not available
7 that does not contain mercury, and a description of
8 how the manufacturer will establish and maintain a
9 closed loop recycling system.

10 (2) In the case of mercury-added headlamps, the
11 estimated number of vehicles that will be produced
12 with such component, as well as the manufacturer's
13 plans to meet the phaseout requirements specified in
14 subsection 2, paragraph "b".

15 (3) In the case of components necessary to meet
16 health and safety requirements, or for national
17 security, documentation that a technically feasible
18 alternative that does not contain mercury is not
19 available, and the impact of such components on public
20 health and safety considering any impacts the
21 components may have on overall public safety on the
22 roads, and the life-cycle impacts of the mercury use.

23 (4) In the case of service replacement parts,
24 documentation that the part is identical to an
25 original equipment part and used exclusively in the
26 repair or service of original equipment components.
27 b. An exemption granted under this subsection by
28 the department shall be valid for a period of two
29 years except where the provisions of subsection 2,
30 paragraph "b", specify a different time period. An
31 exemption granted under this subsection shall be
32 renewable for periods not to exceed four years, as
33 determined by the department.

34 c. If granted an exemption, any vehicle that may
35 contain a mercury-added component shall be labeled by
36 the manufacturer in a manner to clearly inform
37 purchasers and dismantlers that mercury is present in
38 the vehicle, and that the component may not be
39 disposed of or placed in a waste stream destined for
40 disposal until the mercury is removed or reused,
41 recovered, or properly disposed of as a hazardous
42 waste or otherwise managed to ensure that the mercury
43 does not become mixed with other solid waste. The
44 label shall identify the component with sufficient
45 detail so that it may be readily located for removal.
46 The label shall be placed on the doorpost of each
47 vehicle that may contain a mercury-added component and
48 be constructed of materials that are sufficiently
49 durable to remain legible for the useful life of the
50 vehicle.

1 shall include, but not be limited to, all of the
2 following:

3 1. A detailed description and documentation of the
4 capture rate achieved.

5 2. A plan to implement additional or alternative
6 actions, if necessary to improve the capture rate.

7 3. A listing of the public educational initiatives
8 implemented, including size of audience reached.

9 4. Any changes in the participation of the
10 necessary parties for the plan to be effectively
11 implemented.

12 Sec. 11. NEW SECTION. 455B.810 PUBLIC EDUCATION
13 AND OUTREACH.

14 1. A manufacturer shall implement a comprehensive
15 education and outreach program for the general public
16 and the parties willingly participating in the
17 manufacturer's removal, replacement, collection,
18 recovery, and disposal system established under this
19 division. The education and outreach program shall
20 focus on the hazards related to, and the proper
21 handling of, mercury; the requirements and obligations
22 of individuals, manufacturers, and agencies under this
23 division; and the details of the system established
24 under this division.

25 2. In collaboration with manufacturers, the
26 department shall supplement this education and
27 outreach program with an assistance program for
28 businesses that might participate in the removal,
29 replacement, collection, recovery, and disposal system
30 established under this division.

31 3. Willingly participating parties in a removal,
32 replacement, collection, recovery, and disposal system
33 shall implement a public education and outreach
34 program focused on their participation in the system.

35 Sec. 12. NEW SECTION. 455B.811 STATE
36 PROCUREMENT.

37 Notwithstanding other policies and guidelines for
38 the procurement of vehicles, the state shall, within
39 one year of the effective date of this Act, revise its
40 policies, rules, and procedures to give priority and
41 preference to the purchase of vehicles free of
42 mercury-added components taking into consideration
43 competition, price, availability, and performance.

44 Sec. 13. NEW SECTION. 455B.812 UNIVERSAL WASTE.

45 The department shall adopt rules pursuant to
46 chapter 17A governing universal hazardous waste, as
47 defined by the federal environmental protection
48 agency, as appropriate to promote the collection,
49 transport, recovery, and proper management of mercury-
50 added vehicle components.

1 5. Manufacturers, when designing vehicles and
2 their components for sale in this state, shall do all
3 of the following:

4 a. To the maximum extent practicable, reduce or
5 eliminate hazardous substances like mercury from the
6 manufacturer's vehicles.

7 b. Ensure that the manufacturer's vehicles are
8 designed to be recycled in a safe, cost-effective, and
9 environmentally sound manner, using existing
10 technologies and infrastructures.

11 c. Where a vehicle is found to present
12 environmental risks that make it uneconomical to
13 recycle, the manufacturer shall make appropriate
14 design or manufacturing changes.

15 Sec. 7. NEW SECTION. 455B.806 GENERAL COMPLIANCE
16 WITH OTHER PROVISIONS.

17 Except as expressly provided in this division,
18 compliance with this division shall not exempt a
19 person from compliance with any other law.

20 Sec. 8. NEW SECTION. 455B.807 REGULATIONS.

21 The commission shall adopt rules pursuant to
22 chapter 17A as necessary to implement the provisions
23 of this division.

24 Sec. 9. NEW SECTION. 455B.808 PUBLIC
25 NOTIFICATION AND COMMENT.

26 1. The department shall issue public notice and
27 solicit public comment on both of the following:

28 a. The removal, replacement, collection, and
29 recovery plans submitted by a manufacturer pursuant to
30 section 455B.803.

31 b. An application or reapplication for an
32 exemption from the phaseout provisions of section
33 455B.805.

34 2. A notification and solicitation of public
35 comment shall be issued within thirty days of
36 receiving a plan or an application or reapplication
37 for an exemption from the manufacturer. The
38 department shall give the general public adequate time
39 to comment on the proposals.

40 3. Public comments received within the ninety-day
41 review period of these provisions shall be considered
42 by the department when making its decision to accept
43 or reject either a plan or an application or
44 reapplication for an exemption.

45 Sec. 10. NEW SECTION. 455B.809 REPORTING.

46 One year after the implementation of a removal,
47 replacement, collection, and recovery system, and
48 annually thereafter, a manufacturer subject to section
49 455B.803 shall report to the department concerning the
50 performance under the manufacturer's plan. The report

DIVISION II

SALVAGE VEHICLE TITLES"

- 1
2
3 2. Title page, line 1, by inserting after the
4 word "Act" the following: "relating to salvage
5 vehicles by providing for the removal, replacement,
6 collection, and recovery of mercury-added vehicle
7 components and".
8 3. By renumbering as necessary.

By WILLIAM A. DOTZLER

S-5136 FILED MARCH 29, 2006

HOUSE FILE 2362

S-5211

- 1 Amend the amendment, S-5154, to House File 2362, as
2 passed by the House, as follows:
3 1. Page 1, line 6, by striking the word "VEHICLE"
4 and inserting the following: "RECYCLING".
5 2. Page 6, by inserting after line 1 the
6 following:
7 "Sec. ____ . CONTINGENT FUTURE REPEAL OF MERCURY-
8 FREE RECYCLING ACT -- IMPLEMENTATION OF NATIONAL
9 MERCURY SWITCH RECOVERY PROGRAM. If a national
10 collaborative mercury switch recovery program
11 involving vehicle manufacturers, steel makers, vehicle
12 dismantlers, vehicle crushers, auto shredders,
13 brokers, members representing the environmental
14 community, state representatives, and the United
15 States environmental protection agency is implemented,
16 the requirements of the national collaborative program
17 shall supersede the provisions of this division, and
18 sections 455B.801 through 455B.809 are repealed. The
19 director of the department of natural resources shall
20 notify the Code editor of the date when the national
21 collaborative program is implemented."
22 3. By renumbering as necessary.

By JEFF ANGELO

S-5211 FILED APRIL 19, 2006

S-5218

- 1 Amend the amendment, S-5154, to House File 2362, as
 2 passed by the House, as follows:
- 3 1. Page 1, line 6, by striking the word "VEHICLE"
 4 and inserting the following: "RECYCLING".
- 5 2. Page 6, by inserting after line 1 the
 6 following:
- 7 "Sec. _____. CONTINGENT FUTURE REPEAL OF MERCURY-
 8 FREE RECYCLING ACT -- IMPLEMENTATION OF NATIONAL
 9 MERCURY SWITCH RECOVERY PROGRAM. If a national
 10 mercury switch recovery program is implemented by the
 11 United States environmental protection agency, the
 12 requirements of the national program shall supersede
 13 the provisions of this division, and sections 455B.801
 14 through 455B.809 are repealed. The director of the
 15 department of natural resources shall notify the Code
 16 editor of the date when the national program is
 17 implemented."
- 18 3. By renumbering as necessary.

By JEFF ANGELO

S-5218 FILED APRIL 24, 2006

HOUSE FILE 2362

S-5221

- 1 Amend the amendment, S-5154, to House File 2362, as
 2 passed by the House, as follows:
- 3 1. Page 1, line 6, by striking the word "VEHICLE"
 4 and inserting the following: "RECYCLING".
- 5 2. Page 6, by inserting after line 1, the
 6 following:
- 7 "Sec. _____. FUTURE REPEAL OF MERCURY-FREE RECYCLING
 8 ACT -- IMPLEMENTATION OF NATIONAL PROGRAM.
- 9 1. If a national mercury switch recovery program
 10 is developed and implemented with the cooperation and
 11 approval of the United States environmental protection
 12 agency, the provisions of this division shall be
 13 superseded by the provisions of the national program,
 14 and sections 455B.801 through 455B.809, as enacted in
 15 this division of this Act, are repealed, provided the
 16 following conditions are met:
- 17 a. The national program includes a target mercury-
 18 added switch capture rate for this state that meets or
 19 exceeds the target capture rate established in section
 20 455B.803, as enacted in this division of this Act.
- 21 b. The national program includes a funding
 22 mechanism that provides for the total costs of the
 23 national mercury switch recovery program implemented
 24 in this state to be paid for by program participants
 25 or with federal moneys.
- 26 2. The director of the department of natural
 27 resources shall notify the Code editor of the date
 28 when the national mercury switch recovery program is
 29 implemented."
- 30 3. By renumbering as necessary.

By JAMES HAHN

S-5221 FILED APRIL 25, 2006

ADOPTED

S-5154

1 Amend House File 2362, as passed by the House, as
2 follows:

3 1. Page 1, by inserting before line 1 the
4 following:

5 "DIVISION I

6 MERCURY-FREE VEHICLE ACT

7 Section 1. LEGISLATIVE FINDINGS AND PURPOSES.

8 1. The general assembly finds all of the
9 following:

10 a. That switches containing mercury have been used
11 for convenience lighting in vehicles sold in Iowa.

12 b. That mercury from vehicle light switches may be
13 released into the environment when end-of-life
14 vehicles are flattened, crushed, shredded, melted, or
15 otherwise processed for recycling.

16 c. That removing mercury-added switches from end-
17 of-life vehicles is an effective method to prevent
18 mercury from being released into the environment.

19 d. That it is in the public interest of the
20 residents of this state to reduce the quantity of
21 mercury entering the environment by removing mercury-
22 added switches from end-of-life vehicles.

23 2. The general assembly declares that the purpose
24 of this Act is to reduce the quantity of mercury in
25 the environment by doing all of the following:

26 a. Removing mercury-added switches from end-of-
27 life vehicles in Iowa.

28 b. Creating a collection, recovery, and incentive
29 program for mercury-added switches removed from
30 vehicles in Iowa.

31 Sec. 2. NEW SECTION. 455B.801 SHORT TITLE.

32 This division shall be known and may be cited as
33 the "Mercury-Free Recycling Act".

34 Sec. 3. NEW SECTION. 455B.802 DEFINITIONS.

35 As used in this division, unless the context
36 otherwise requires:

37 1. "Capture rate" means the amount of mercury
38 removed, collected, and recovered from end-of-life
39 vehicles, expressed as a percentage of the mercury
40 available from mercury-added switches in end-of-life
41 vehicles annually.

42 2. "End-of-life vehicle" means any vehicle which
43 is sold, given, or otherwise conveyed to a vehicle
44 recycler or scrap recycling facility for the purpose
45 of recycling and that does not exceed ten thousand
46 pounds gross vehicle weight.

47 3. "Manufacturer" means any person that is the
48 last person to produce or assemble a new vehicle that
49 utilizes mercury-added switches, or in the case of an
50 imported vehicle, the importer or domestic distributor

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1 of such vehicle. "Manufacturer" does not include a
2 person that has never utilized a mercury-added switch
3 in the production or assembly of a new vehicle.

4 4. "Mercury-added switch" means a light switch
5 that contains mercury which was installed by a
6 manufacturer in a motor vehicle.

7 5. "Scrap recycling facility" means a fixed
8 location where machinery and equipment are utilized
9 for processing and manufacturing scrap metal into
10 prepared grades and whose principal product is scrap
11 iron, scrap steel, or nonferrous metallic scrap for
12 sale for remelting purposes.

13 6. "Vehicle recycler" means any person engaged in
14 the business of acquiring, dismantling, or destroying
15 six or more vehicles in a calendar year for the
16 primary purpose of resale of the vehicles' parts.

17 Sec. 4. NEW SECTION. 455B.803 PLANS FOR REMOVAL,
18 COLLECTION, AND RECOVERY OF VEHICLE MERCURY-ADDED
19 SWITCHES.

20 1. Within ninety days of the effective date of
21 this Act, each manufacturer of vehicles sold in this
22 state shall, individually or as part of a group,
23 develop and publish a plan for a system to remove,
24 collect, and recover mercury-added switches from end-
25 of-life vehicles that were manufactured by the
26 manufacturer. Publication shall be in accordance with
27 section 455B.807, subsection 2.

28 2. a. The manufacturer shall implement a system
29 to remove, collect, and recover mercury-added switches
30 from end-of-life vehicles within ninety days of
31 publication of the plan.

32 b. The system developed and implemented pursuant
33 to this section shall provide, at a minimum, all of
34 the following:

35 (1) Educational materials about the program to
36 inform the public and other stakeholders about the
37 purpose of the collection program and how to
38 participate in the program.

39 (2) A method for implementing, operating,
40 maintaining, and monitoring the system, in accordance
41 with subsection 3. This may include the use of third-
42 party contractors that are qualified and fully insured
43 to perform these tasks.

44 (3) Information about mercury-added switches
45 identifying all of the following:

46 (a) The make, model, and year of vehicles
47 potentially containing mercury-added switches.

48 (b) A description of the mercury-added switches.

49 (c) The location of the mercury-added switches.

50 (d) The safe, cost-effective, and environmentally

1 sound methods for the removal of the mercury-added
2 switches from end-of-life vehicles.

3 (4) A method to arrange and pay for the
4 transportation of the collected mercury-added switches
5 to permitted facilities.

6 (5) A method to arrange and pay for the recycling
7 of the mercury-added switches.

8 (6) A method to track participation and publish
9 the progress of the mercury-added switch collection in
10 accordance with section 455B.807, subsection 2.

11 (7) A database of participating vehicle recyclers,
12 including all of the following:

13 (a) Documentation that the vehicle recycler joined
14 the program.

15 (b) Records of all submissions by a vehicle
16 recycler of any information required pursuant to
17 subparagraph (6).

18 (c) Confirmation that the vehicle recycler has
19 submitted switches at least every twelve months since
20 joining the program.

21 (8) A target mercury-added switch capture rate for
22 vehicles manufactured by the manufacturer of ninety
23 percent. A description of additional or alternative
24 actions that shall be implemented by the manufacturer
25 to improve the system and its operation in the event
26 that the target capture rate is not met shall be
27 published with the required tracking information no
28 less than annually.

29 (9) The program shall not include inaccessible
30 mercury-added switches from end-of-life vehicles with
31 significant damage to the vehicle in the area
32 surrounding the mercury-added switch location. All
33 accessible mercury-added switches are expected to be
34 collected under the provisions of this division.

35 c. In developing a removal, collection, and
36 recovery system for end-of-life vehicles, a
37 manufacturer shall, to the extent practicable, utilize
38 the existing end-of-life vehicle recycling
39 infrastructure.

40 d. If the commission determines that the
41 manufacturer's plan for a system to remove, collect,
42 and recover mercury-added switches from end-of-life
43 vehicles does not comply with this section, the
44 commission may require the manufacturer to make any
45 necessary modification to the plan.

46 e. On July 1, 2020, the commission shall cease
47 enforcement of the removal, collection, and recovery
48 plans under this section. On or before July 1, 2020,
49 the commission shall review the mercury-added switch
50 removal, collection, and recovery portion of this

1 division and submit a recommendation to the general
2 assembly regarding the necessity of continuing the
3 enforcement of the removal, collection, and recovery
4 plans under this section.

5 3. The total cost of the removal, collection, and
6 recovery system for mercury-added switches shall be
7 paid by the manufacturer. Costs shall include but not
8 be limited to all of the following:

9 a. Labor to remove mercury-added switches. Labor
10 shall be reimbursed at a minimum rate of four dollars
11 per mercury-added switch removed, or if the vehicle
12 identification number of the source vehicle is
13 required for reimbursement, at a minimum rate of five
14 dollars.

15 b. Training.

16 c. Packaging in which to transport mercury-added
17 switches to recycling, storage, or disposal
18 facilities.

19 d. Shipping of mercury-added switches to
20 recycling, storage, or disposal facilities.

21 e. Recycling, storage, or disposal of the mercury-
22 added switches.

23 f. Public education materials and presentations.

24 g. Maintenance of all appropriate systems and
25 procedures to protect the environment from mercury
26 contamination from collected mercury-added switches.

27 4. A vehicle recycler that performs as required
28 under a removal, collection, and recovery plan shall
29 be afforded the protections provided in section
30 613.18.

31 Sec. 5. NEW SECTION. 455B.804 PROHIBITION AND
32 PROPER MANAGEMENT OF MERCURY-ADDED VEHICLE SWITCHES.

33 1. Prior to delivery to a scrap recycling
34 facility, a person who sells, gives, or otherwise
35 conveys ownership of an end-of-life vehicle to the
36 scrap recycling facility for recycling shall remove
37 all mercury-added switches from such end-of-life
38 vehicle unless the mercury-added switch is
39 inaccessible due to significant damage to the end-of-
40 life vehicle in the area where the mercury-added
41 switch is located.

42 2. A person shall not represent that mercury-added
43 switches have been removed from a vehicle or vehicle
44 hulk being sold, given, or otherwise conveyed for
45 recycling if that person has not removed such mercury-
46 added switches or arranged with another person to
47 remove such switches.

48 Sec. 6. NEW SECTION. 455B.805 GENERAL COMPLIANCE
49 WITH OTHER PROVISIONS.

50 Except as expressly provided in this division,

1 compliance with this division shall not exempt a
2 person from compliance with any other law.

3 Sec. 7. NEW SECTION. 455B.806 REGULATIONS.

4 The commission shall adopt rules pursuant to
5 chapter 17A as necessary to implement the provisions
6 of this division.

7 Sec. 8. NEW SECTION. 455B.807 PUBLIC
8 NOTIFICATION.

9 1. The department shall make available to the
10 general public in an electronic format the plan of a
11 manufacturer for a system to remove, collect, and
12 recover mercury-added switches from end-of-life
13 vehicles and any report required under section
14 455B.808.

15 2. Publication of all required plans, information,
16 reports, and educational materials under this division
17 shall be through no less than two types of media
18 available to the general public. One medium must be
19 available twenty-four hours per day, seven days per
20 week, and maintained with current information.
21 Acceptable types of media include but are not limited
22 to internet websites, periodicals, journals, and other
23 publicly available media in the state.

24 Sec. 9. NEW SECTION. 455B.808 REPORTING.

25 One year after the implementation of a removal,
26 collection, and recovery system, and annually
27 thereafter, a manufacturer subject to section 455B.803
28 shall report to the department concerning the
29 performance under the manufacturer's plan. The report
30 shall include statistical information received under
31 section 455B.803. The report shall also include but
32 not be limited to all of the following:

33 1. The number of mercury-added switches collected.

34 2. An estimate of the amount of mercury contained
35 in the collected switches.

36 3. The capture rate as defined in section
37 455B.802.

38 4. The estimated number of vehicles manufactured
39 by the manufacturer containing mercury-added switches.

40 5. The estimated number of vehicles manufactured
41 by the manufacturer that have been processed for
42 recycling by vehicle recyclers.

43 Sec. 10. NEW SECTION. 455B.809 STATE
44 PROCUREMENT.

45 Notwithstanding other policies and guidelines for
46 the procurement of vehicles, the state shall, within
47 one year of the effective date of this Act, revise its
48 policies, rules, and procedures to give priority and
49 preference to the purchase of vehicles free of
50 mercury-added components taking into consideration

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1 competition, price, availability, and performance.

2 DIVISION II

3 SALVAGE VEHICLE TITLES"

4 2. Title page, line 1, by inserting after the
5 word "Act" the following: "relating to end-of-life
6 and salvage vehicles by providing for the removal,
7 replacement, collection, and recovery of mercury-added
8 vehicle components and".

9 3. By renumbering as necessary.

By WILLIAM A. DOTZLER

JAMES HAHN

S-5154 FILED APRIL 3, 2006

SENATE AMENDMENT TO
HOUSE FILE 2362

H-8580

1 Amend House File 2362, as passed by the House, as
2 follows:

3 1. Page 1, by inserting before line 1 the
4 following:

5 "DIVISION I

6 MERCURY-FREE RECYCLING ACT

7 Section 1. LEGISLATIVE FINDINGS AND PURPOSES.

8 1. The general assembly finds all of the
9 following:

10 a. That switches containing mercury have been used
11 for convenience lighting in vehicles sold in Iowa.

12 b. That mercury from vehicle light switches may be
13 released into the environment when end-of-life
14 vehicles are flattened, crushed, shredded, melted, or
15 otherwise processed for recycling.

16 c. That removing mercury-added switches from end-
17 of-life vehicles is an effective method to prevent
18 mercury from being released into the environment.

19 d. That it is in the public interest of the
20 residents of this state to reduce the quantity of
21 mercury entering the environment by removing mercury-
22 added switches from end-of-life vehicles.

23 2. The general assembly declares that the purpose
24 of this Act is to reduce the quantity of mercury in
25 the environment by doing all of the following:

26 a. Removing mercury-added switches from end-of-
27 life vehicles in Iowa.

28 b. Creating a collection, recovery, and incentive
29 program for mercury-added switches removed from
30 vehicles in Iowa.

31 Sec. 2. NEW SECTION. 455B.801 SHORT TITLE.

32 This division shall be known and may be cited as
33 the "Mercury-Free Recycling Act".

34 Sec. 3. NEW SECTION. 455B.802 DEFINITIONS.

35 As used in this division, unless the context
36 otherwise requires:

37 1. "Capture rate" means the amount of mercury
38 removed, collected, and recovered from end-of-life
39 vehicles, expressed as a percentage of the mercury
40 available from mercury-added switches in end-of-life
41 vehicles annually.

42 2. "End-of-life vehicle" means any vehicle which
43 is sold, given, or otherwise conveyed to a vehicle
44 recycler or scrap recycling facility for the purpose
45 of recycling and that does not exceed ten thousand
46 pounds gross vehicle weight.

47 3. "Manufacturer" means any person that is the
48 last person to produce or assemble a new vehicle that
49 utilizes mercury-added switches, or in the case of an
50 imported vehicle, the importer or domestic distributor

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1 of such vehicle. "Manufacturer" does not include a
2 person that has never utilized a mercury-added switch
3 in the production or assembly of a new vehicle.

4 4. "Mercury-added switch" means a light switch
5 that contains mercury which was installed by a
6 manufacturer in a motor vehicle.

7 5. "Scrap recycling facility" means a fixed
8 location where machinery and equipment are utilized
9 for processing and manufacturing scrap metal into
10 prepared grades and whose principal product is scrap
11 iron, scrap steel, or nonferrous metallic scrap for
12 sale for remelting purposes.

13 6. "Vehicle recycler" means any person engaged in
14 the business of acquiring, dismantling, or destroying
15 six or more vehicles in a calendar year for the
16 primary purpose of resale of the vehicles' parts.

17 Sec. 4. NEW SECTION. 455B.803 PLANS FOR REMOVAL,
18 COLLECTION, AND RECOVERY OF VEHICLE MERCURY-ADDED
19 SWITCHES.

20 1. Within ninety days of the effective date of
21 this Act, each manufacturer of vehicles sold in this
22 state shall, individually or as part of a group,
23 develop and publish a plan for a system to remove,
24 collect, and recover mercury-added switches from end-
25 of-life vehicles that were manufactured by the
26 manufacturer. Publication shall be in accordance with
27 section 455B.807, subsection 2.

28 2. a. The manufacturer shall implement a system
29 to remove, collect, and recover mercury-added switches
30 from end-of-life vehicles within ninety days of
31 publication of the plan.

32 b. The system developed and implemented pursuant
33 to this section shall provide, at a minimum, all of
34 the following:

35 (1) Educational materials about the program to
36 inform the public and other stakeholders about the
37 purpose of the collection program and how to
38 participate in the program.

39 (2) A method for implementing, operating,
40 maintaining, and monitoring the system, in accordance
41 with subsection 3. This may include the use of third-
42 party contractors that are qualified and fully insured
43 to perform these tasks.

44 (3) Information about mercury-added switches
45 identifying all of the following:

46 (a) The make, model, and year of vehicles
47 potentially containing mercury-added switches.

48 (b) A description of the mercury-added switches.

49 (c) The location of the mercury-added switches.

50 (d) The safe, cost-effective, and environmentally

1 sound methods for the removal of the mercury-added
2 switches from end-of-life vehicles.

3 (4) A method to arrange and pay for the
4 transportation of the collected mercury-added switches
5 to permitted facilities.

6 (5) A method to arrange and pay for the recycling
7 of the mercury-added switches.

8 (6) A method to track participation and publish
9 the progress of the mercury-added switch collection in
10 accordance with section 455B.807, subsection 2.

11 (7) A database of participating vehicle recyclers,
12 including all of the following:

13 (a) Documentation that the vehicle recycler joined
14 the program.

15 (b) Records of all submissions by a vehicle
16 recycler of any information required pursuant to
17 subparagraph (6).

18 (c) Confirmation that the vehicle recycler has
19 submitted switches at least every twelve months since
20 joining the program.

21 (8) A target mercury-added switch capture rate for
22 vehicles manufactured by the manufacturer of ninety
23 percent. A description of additional or alternative
24 actions that shall be implemented by the manufacturer
25 to improve the system and its operation in the event
26 that the target capture rate is not met shall be
27 published with the required tracking information no
28 less than annually.

29 (9) The program shall not include inaccessible
30 mercury-added switches from end-of-life vehicles with
31 significant damage to the vehicle in the area
32 surrounding the mercury-added switch location. All
33 accessible mercury-added switches are expected to be
34 collected under the provisions of this division.

35 c. In developing a removal, collection, and
36 recovery system for end-of-life vehicles, a
37 manufacturer shall, to the extent practicable, utilize
38 the existing end-of-life vehicle recycling
39 infrastructure.

40 d. If the commission determines that the
41 manufacturer's plan for a system to remove, collect,
42 and recover mercury-added switches from end-of-life
43 vehicles does not comply with this section, the
44 commission may require the manufacturer to make any
45 necessary modification to the plan.

46 e. On July 1, 2020, the commission shall cease
47 enforcement of the removal, collection, and recovery
48 plans under this section. On or before July 1, 2020,
49 the commission shall review the mercury-added switch
50 removal, collection, and recovery portion of this

1 division and submit a recommendation to the general
2 assembly regarding the necessity of continuing the
3 enforcement of the removal, collection, and recovery
4 plans under this section.

5 3. The total cost of the removal, collection, and
6 recovery system for mercury-added switches shall be
7 paid by the manufacturer. Costs shall include but not
8 be limited to all of the following:

9 a. Labor to remove mercury-added switches. Labor
10 shall be reimbursed at a minimum rate of four dollars
11 per mercury-added switch removed, or if the vehicle
12 identification number of the source vehicle is
13 required for reimbursement, at a minimum rate of five
14 dollars.

15 b. Training.

16 c. Packaging in which to transport mercury-added
17 switches to recycling, storage, or disposal
18 facilities.

19 d. Shipping of mercury-added switches to
20 recycling, storage, or disposal facilities.

21 e. Recycling, storage, or disposal of the mercury-
22 added switches.

23 f. Public education materials and presentations.

24 g. Maintenance of all appropriate systems and
25 procedures to protect the environment from mercury
26 contamination from collected mercury-added switches.

27 4. A vehicle recycler that performs as required
28 under a removal, collection, and recovery plan shall
29 be afforded the protections provided in section
30 613.18.

31 Sec. 5. NEW SECTION. 455B.804 PROHIBITION AND
32 PROPER MANAGEMENT OF MERCURY-ADDED VEHICLE SWITCHES.

33 1. Prior to delivery to a scrap recycling
34 facility, a person who sells, gives, or otherwise
35 conveys ownership of an end-of-life vehicle to the
36 scrap recycling facility for recycling shall remove
37 all mercury-added switches from such end-of-life
38 vehicle unless the mercury-added switch is
39 inaccessible due to significant damage to the end-of-
40 life vehicle in the area where the mercury-added
41 switch is located.

42 2. A person shall not represent that mercury-added
43 switches have been removed from a vehicle or vehicle
44 hulk being sold, given, or otherwise conveyed for
45 recycling if that person has not removed such mercury-
46 added switches or arranged with another person to
47 remove such switches.

48 Sec. 6. NEW SECTION. 455B.805 GENERAL COMPLIANCE
49 WITH OTHER PROVISIONS.

50 Except as expressly provided in this division,

1 compliance with this division shall not exempt a
2 person from compliance with any other law.

3 Sec. 7. NEW SECTION. 455B.806 REGULATIONS.

4 The commission shall adopt rules pursuant to
5 chapter 17A as necessary to implement the provisions
6 of this division.

7 Sec. 8. NEW SECTION. 455B.807 PUBLIC
8 NOTIFICATION.

9 1. The department shall make available to the
10 general public in an electronic format the plan of a
11 manufacturer for a system to remove, collect, and
12 recover mercury-added switches from end-of-life
13 vehicles and any report required under section
14 455B.808.

15 2. Publication of all required plans, information,
16 reports, and educational materials under this division
17 shall be through no less than two types of media
18 available to the general public. One medium must be
19 available twenty-four hours per day, seven days per
20 week, and maintained with current information.
21 Acceptable types of media include but are not limited
22 to internet websites, periodicals, journals, and other
23 publicly available media in the state.

24 Sec. 9. NEW SECTION. 455B.808 REPORTING.

25 One year after the implementation of a removal,
26 collection, and recovery system, and annually
27 thereafter, a manufacturer subject to section 455B.803
28 shall report to the department concerning the
29 performance under the manufacturer's plan. The report
30 shall include statistical information received under
31 section 455B.803. The report shall also include but
32 not be limited to all of the following:

33 1. The number of mercury-added switches collected.

34 2. An estimate of the amount of mercury contained
35 in the collected switches.

36 3. The capture rate as defined in section
37 455B.802.

38 4. The estimated number of vehicles manufactured
39 by the manufacturer containing mercury-added switches.

40 5. The estimated number of vehicles manufactured
41 by the manufacturer that have been processed for
42 recycling by vehicle recyclers.

43 Sec. 10. NEW SECTION. 455B.809 STATE
44 PROCUREMENT.

45 Notwithstanding other policies and guidelines for
46 the procurement of vehicles, the state shall, within
47 one year of the effective date of this Act, revise its
48 policies, rules, and procedures to give priority and
49 preference to the purchase of vehicles free of
50 mercury-added components taking into consideration

1 competition, price, availability, and performance.
2 Sec. 11. FUTURE REPEAL OF MERCURY-FREE RECYCLING
3 ACT -- IMPLEMENTATION OF NATIONAL PROGRAM.
4 1. If a national mercury switch recovery program
5 is developed and implemented with the cooperation and
6 approval of the United States environmental protection
7 agency, the provisions of this division shall be
8 superseded by the provisions of the national program,
9 and sections 455B.801 through 455B.809, as enacted in
10 this division of this Act, are repealed, provided the
11 following conditions are met:
12 a. The national program includes a target mercury-
13 added switch capture rate for this state that meets or
14 exceeds the target capture rate established in section
15 455B.803, as enacted in this division of this Act.
16 b. The national program includes a funding
17 mechanism that provides for the total costs of the
18 national mercury switch recovery program implemented
19 in this state to be paid for by program participants
20 or with federal moneys.
21 2. The director of the department of natural
22 resources shall notify the Code editor of the date
23 when the national mercury switch recovery program is
24 implemented.

25 DIVISION II
26 SALVAGE VEHICLE TITLES"

27 2. Title page, line 1, by inserting after the
28 word "Act" the following: "relating to end-of-life
29 and salvage vehicles by providing for the removal,
30 replacement, collection, and recovery of mercury-added
31 vehicle components and".
32 3. By renumbering as necessary.

RECEIVED FROM THE SENATE

HOUSE FILE 2362

AN ACT

RELATING TO END-OF-LIFE AND SALVAGE VEHICLES BY PROVIDING FOR THE REMOVAL, REPLACEMENT, COLLECTION, AND RECOVERY OF MERCURY-ADDED VEHICLE COMPONENTS AND PROVIDING FOR REASSIGNMENT OF A SALVAGE CERTIFICATE OF TITLE FOR A MOTOR VEHICLE.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

DIVISION I

MERCURY-FREE RECYCLING ACT

Section 1. LEGISLATIVE FINDINGS AND PURPOSES.

1. The general assembly finds all of the following:
 - a. That switches containing mercury have been used for convenience lighting in vehicles sold in Iowa.
 - b. That mercury from vehicle light switches may be released into the environment when end-of-life vehicles are flattened, crushed, shredded, melted, or otherwise processed for recycling.
 - c. That removing mercury-added switches from end-of-life vehicles is an effective method to prevent mercury from being released into the environment.
 - d. That it is in the public interest of the residents of this state to reduce the quantity of mercury entering the environment by removing mercury-added switches from end-of-life vehicles.
2. The general assembly declares that the purpose of this Act is to reduce the quantity of mercury in the environment by doing all of the following:
 - a. Removing mercury-added switches from end-of-life vehicles in Iowa.

b. Creating a collection, recovery, and incentive program for mercury-added switches removed from vehicles in Iowa.

Sec. 2. NEW SECTION. 455B.801 SHORT TITLE.

This division shall be known and may be cited as the "Mercury-Free Recycling Act".

Sec. 3. NEW SECTION. 455B.802 DEFINITIONS.

As used in this division, unless the context otherwise requires:

1. "Capture rate" means the amount of mercury removed, collected, and recovered from end-of-life vehicles, expressed as a percentage of the mercury available from mercury-added switches in end-of-life vehicles annually.
2. "End-of-life vehicle" means any vehicle which is sold, given, or otherwise conveyed to a vehicle recycler or scrap recycling facility for the purpose of recycling and that does not exceed ten thousand pounds gross vehicle weight.
3. "Manufacturer" means any person that is the last person to produce or assemble a new vehicle that utilizes mercury-added switches, or in the case of an imported vehicle, the importer or domestic distributor of such vehicle. "Manufacturer" does not include a person that has never utilized a mercury-added switch in the production or assembly of a new vehicle.
4. "Mercury-added switch" means a light switch that contains mercury which was installed by a manufacturer in a motor vehicle.
5. "Scrap recycling facility" means a fixed location where machinery and equipment are utilized for processing and manufacturing scrap metal into prepared grades and whose principal product is scrap iron, scrap steel, or nonferrous metallic scrap for sale for remelting purposes.
6. "Vehicle recycler" means any person engaged in the business of acquiring, dismantling, or destroying six or more vehicles in a calendar year for the primary purpose of resale of the vehicles' parts.

Sec. 4. NEW SECTION. 455B.803 PLANS FOR REMOVAL, COLLECTION, AND RECOVERY OF VEHICLE MERCURY-ADDED SWITCHES.

1. Within ninety days of the effective date of this Act, each manufacturer of vehicles sold in this state shall, individually or as part of a group, develop and publish a plan for a system to remove, collect, and recover mercury-added switches from end-of-life vehicles that were manufactured by the manufacturer. Publication shall be in accordance with section 455B.807, subsection 2.

2. a. The manufacturer shall implement a system to remove, collect, and recover mercury-added switches from end-of-life vehicles within ninety days of publication of the plan.

b. The system developed and implemented pursuant to this section shall provide, at a minimum, all of the following:

(1) Educational materials about the program to inform the public and other stakeholders about the purpose of the collection program and how to participate in the program.

(2) A method for implementing, operating, maintaining, and monitoring the system, in accordance with subsection 3. This may include the use of third-party contractors that are qualified and fully insured to perform these tasks.

(3) Information about mercury-added switches identifying all of the following:

(a) The make, model, and year of vehicles potentially containing mercury-added switches.

(b) A description of the mercury-added switches.

(c) The location of the mercury-added switches.

(d) The safe, cost-effective, and environmentally sound methods for the removal of the mercury-added switches from end-of-life vehicles.

(4) A method to arrange and pay for the transportation of the collected mercury-added switches to permitted facilities.

(5) A method to arrange and pay for the recycling of the mercury-added switches.

(6) A method to track participation and publish the progress of the mercury-added switch collection in accordance with section 455B.807, subsection 2.

(7) A database of participating vehicle recyclers, including all of the following:

(a) Documentation that the vehicle recycler joined the program.

(b) Records of all submissions by a vehicle recycler of any information required pursuant to subparagraph (6).

(c) Confirmation that the vehicle recycler has submitted switches at least every twelve months since joining the program.

(8) A target mercury-added switch capture rate for vehicles manufactured by the manufacturer of ninety percent. A description of additional or alternative actions that shall be implemented by the manufacturer to improve the system and its operation in the event that the target capture rate is not met shall be published with the required tracking information no less than annually.

(9) The program shall not include inaccessible mercury-added switches from end-of-life vehicles with significant damage to the vehicle in the area surrounding the mercury-added switch location. All accessible mercury-added switches are expected to be collected under the provisions of this division.

c. In developing a removal, collection, and recovery system for end-of-life vehicles, a manufacturer shall, to the extent practicable, utilize the existing end-of-life vehicle recycling infrastructure.

d. If the commission determines that the manufacturer's plan for a system to remove, collect, and recover mercury-added switches from end-of-life vehicles does not comply with this section, the commission may require the manufacturer to make any necessary modification to the plan.

e. On July 1, 2020, the commission shall cease enforcement of the removal, collection, and recovery plans under this section. On or before July 1, 2020, the commission shall review the mercury-added switch removal, collection, and recovery portion of this division and submit a recommendation to the general assembly regarding the necessity of continuing the enforcement of the removal, collection, and recovery plans under this section.

3. The total cost of the removal, collection, and recovery system for mercury-added switches shall be paid by the manufacturer. Costs shall include but not be limited to all of the following:

a. Labor to remove mercury-added switches. Labor shall be reimbursed at a minimum rate of four dollars per mercury-added switch removed, or if the vehicle identification number of the source vehicle is required for reimbursement, at a minimum rate of five dollars.

b. Training.

c. Packaging in which to transport mercury-added switches to recycling, storage, or disposal facilities.

d. Shipping of mercury-added switches to recycling, storage, or disposal facilities.

e. Recycling, storage, or disposal of the mercury-added switches.

f. Public education materials and presentations.

g. Maintenance of all appropriate systems and procedures to protect the environment from mercury contamination from collected mercury-added switches.

4. A vehicle recycler that performs as required under a removal, collection, and recovery plan shall be afforded the protections provided in section 613.18.

Sec. 5. NEW SECTION. 455B.804 PROHIBITION AND PROPER MANAGEMENT OF MERCURY-ADDED VEHICLE SWITCHES.

1. Prior to delivery to a scrap recycling facility, a person who sells, gives, or otherwise conveys ownership of an

end-of-life vehicle to the scrap recycling facility for recycling shall remove all mercury-added switches from such end-of-life vehicle unless the mercury-added switch is inaccessible due to significant damage to the end-of-life vehicle in the area where the mercury-added switch is located.

2. A person shall not represent that mercury-added switches have been removed from a vehicle or vehicle hulk being sold, given, or otherwise conveyed for recycling if that person has not removed such mercury-added switches or arranged with another person to remove such switches.

Sec. 6. NEW SECTION. 455B.805 GENERAL COMPLIANCE WITH OTHER PROVISIONS.

Except as expressly provided in this division, compliance with this division shall not exempt a person from compliance with any other law.

Sec. 7. NEW SECTION. 455B.806 REGULATIONS.

The commission shall adopt rules pursuant to chapter 17A as necessary to implement the provisions of this division.

Sec. 8. NEW SECTION. 455B.807 PUBLIC NOTIFICATION.

1. The department shall make available to the general public in an electronic format the plan of a manufacturer for a system to remove, collect, and recover mercury-added switches from end-of-life vehicles and any report required under section 455B.808.

2. Publication of all required plans, information, reports, and educational materials under this division shall be through no less than two types of media available to the general public. One medium must be available twenty-four hours per day, seven days per week, and maintained with current information. Acceptable types of media include but are not limited to internet websites, periodicals, journals, and other publicly available media in the state.

Sec. 9. NEW SECTION. 455B.808 REPORTING.

One year after the implementation of a removal, collection, and recovery system, and annually thereafter, a manufacturer

subject to section 455B.803 shall report to the department concerning the performance under the manufacturer's plan. The report shall include statistical information received under section 455B.803. The report shall also include but not be limited to all of the following:

1. The number of mercury-added switches collected.
2. An estimate of the amount of mercury contained in the collected switches.
3. The capture rate as defined in section 455B.802.
4. The estimated number of vehicles manufactured by the manufacturer containing mercury-added switches.
5. The estimated number of vehicles manufactured by the manufacturer that have been processed for recycling by vehicle recyclers.

Sec. 10. NEW SECTION. 455B.809 STATE PROCUREMENT.

Notwithstanding other policies and guidelines for the procurement of vehicles, the state shall, within one year of the effective date of this Act, revise its policies, rules, and procedures to give priority and preference to the purchase of vehicles free of mercury-added components taking into consideration competition, price, availability, and performance.

Sec. 11. FUTURE REPEAL OF MERCURY-FREE RECYCLING ACT -- IMPLEMENTATION OF NATIONAL PROGRAM.

1. If a national mercury switch recovery program is developed and implemented with the cooperation and approval of the United States environmental protection agency, the provisions of this division shall be superseded by the provisions of the national program, and sections 455B.801 through 455B.809, as enacted in this division of this Act, are repealed, provided the following conditions are met:

- a. The national program includes a target mercury-added switch capture rate for this state that meets or exceeds the target capture rate established in section 455B.803, as enacted in this division of this Act.

b. The national program includes a funding mechanism that provides for the total costs of the national mercury switch recovery program implemented in this state to be paid for by program participants or with federal moneys.

2. The director of the department of natural resources shall notify the Code editor of the date when the national mercury switch recovery program is implemented.

DIVISION II

SALVAGE VEHICLE TITLES

Sec. 12. Section 321.52, subsection 4, paragraph a, Code Supplement 2005, is amended to read as follows:

a. A vehicle rebuilder or a person engaged in the business of buying, selling, or exchanging vehicles of a type required to be registered in this state, upon acquisition of a wrecked or salvage vehicle, shall surrender the certificate of title or manufacturer's or importer's statement of origin properly assigned, together with an application for a salvage certificate of title, to the county treasurer of the county of residence of the purchaser or transferee within thirty days after the date of assignment of the certificate of title for the wrecked or salvage motor vehicle. This subsection applies only to vehicles with a fair market value of five hundred dollars or more, based on the value before the vehicle became wrecked or salvage. Upon payment of a fee of two dollars, the county treasurer shall issue a salvage certificate of title which shall bear the word "SALVAGE" stamped or printed on the face of the title in a manner prescribed by the department. A salvage certificate of title may be assigned to an educational institution, a new motor vehicle dealer licensed under chapter 322, a person engaged in the business of purchasing bodies, parts of bodies, frames or component parts of vehicles for sale as scrap metal, a salvage pool, or an authorized vehicle recycler licensed under chapter 321H. An authorized vehicle recycler licensed under chapter 321H or a new motor vehicle dealer licensed under chapter 322 may assign or reassign a

salvage certificate of title to any person. A vehicle on which ownership has transferred to an insurer of the vehicle as a result of a settlement with the owner of the vehicle arising out of damage to, or unrecovered theft of, the vehicle shall be deemed to be a wrecked or salvage vehicle and the insurer shall comply with this subsection to obtain a salvage certificate of title within thirty days after the date of assignment of the certificate of title of the vehicle.

CHRISTOPHER C. RANTS
Speaker of the House

JEFFREY M. LAMBERTI
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2362, Eighty-first General Assembly.

MARGARET THOMSON
Chief Clerk of the House

Approved _____, 2006

THOMAS J. VILSACK
Governor