

House File 2362

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1 3 AN ACT
1 4 RELATING TO END-OF-LIFE AND SALVAGE VEHICLES BY PROVIDING FOR
1 5 THE REMOVAL, REPLACEMENT, COLLECTION, AND RECOVERY OF
1 6 MERCURY-ADDED VEHICLE COMPONENTS AND PROVIDING FOR
1 7 REASSIGNMENT OF A SALVAGE CERTIFICATE OF TITLE FOR A MOTOR
1 8 VEHICLE.

1 9
1 10 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 11
1 12 DIVISION I
1 13 MERCURY-FREE RECYCLING ACT
1 14 Section 1. LEGISLATIVE FINDINGS AND PURPOSES.
1 15 1. The general assembly finds all of the following:
1 16 a. That switches containing mercury have been used for
1 17 convenience lighting in vehicles sold in Iowa.
1 18 b. That mercury from vehicle light switches may be
1 19 released into the environment when end-of-life vehicles are
1 20 flattened, crushed, shredded, melted, or otherwise processed
1 21 for recycling.
1 22 c. That removing mercury-added switches from end-of-life
1 23 vehicles is an effective method to prevent mercury from being
1 24 released into the environment.
1 25 d. That it is in the public interest of the residents of
1 26 this state to reduce the quantity of mercury entering the
1 27 environment by removing mercury-added switches from
1 28 end-of-life vehicles.
1 29 2. The general assembly declares that the purpose of this
1 30 Act is to reduce the quantity of mercury in the environment by
1 31 doing all of the following:
1 32 a. Removing mercury-added switches from end-of-life
1 33 vehicles in Iowa.
1 34 b. Creating a collection, recovery, and incentive program
1 35 for mercury-added switches removed from vehicles in Iowa.

2 1 Sec. 2. NEW SECTION. 455B.801 SHORT TITLE.

2 2 This division shall be known and may be cited as the
2 3 "Mercury-Free Recycling Act".

2 4 Sec. 3. NEW SECTION. 455B.802 DEFINITIONS.

2 5 As used in this division, unless the context otherwise
2 6 requires:

2 7 1. "Capture rate" means the amount of mercury removed,
2 8 collected, and recovered from end-of-life vehicles, expressed
2 9 as a percentage of the mercury available from mercury-added
2 10 switches in end-of-life vehicles annually.

2 11 2. "End-of-life vehicle" means any vehicle which is sold,
2 12 given, or otherwise conveyed to a vehicle recycler or scrap
2 13 recycling facility for the purpose of recycling and that does
2 14 not exceed ten thousand pounds gross vehicle weight.

2 15 3. "Manufacturer" means any person that is the last person
2 16 to produce or assemble a new vehicle that utilizes
2 17 mercury=added switches, or in the case of an imported vehicle,
2 18 the importer or domestic distributor of such vehicle.
2 19 "Manufacturer" does not include a person that has never
2 20 utilized a mercury=added switch in the production or assembly
2 21 of a new vehicle.

2 22 4. "Mercury=added switch" means a light switch that
2 23 contains mercury which was installed by a manufacturer in a
2 24 motor vehicle.

2 25 5. "Scrap recycling facility" means a fixed location where
2 26 machinery and equipment are utilized for processing and
2 27 manufacturing scrap metal into prepared grades and whose
2 28 principal product is scrap iron, scrap steel, or nonferrous
2 29 metallic scrap for sale for remelting purposes.

2 30 6. "Vehicle recycler" means any person engaged in the
2 31 business of acquiring, dismantling, or destroying six or more
2 32 vehicles in a calendar year for the primary purpose of resale
2 33 of the vehicles' parts.

2 34 Sec. 4. NEW SECTION. 455B.803 PLANS FOR REMOVAL,
2 35 COLLECTION, AND RECOVERY OF VEHICLE MERCURY=ADDED SWITCHES.

3 1 1. Within ninety days of the effective date of this Act,
3 2 each manufacturer of vehicles sold in this state shall,
3 3 individually or as part of a group, develop and publish a plan
3 4 for a system to remove, collect, and recover mercury=added
3 5 switches from end=of=life vehicles that were manufactured by
3 6 the manufacturer. Publication shall be in accordance with
3 7 section 455B.807, subsection 2.

3 8 2. a. The manufacturer shall implement a system to
3 9 remove, collect, and recover mercury=added switches from
3 10 end=of=life vehicles within ninety days of publication of the
3 11 plan.

3 12 b. The system developed and implemented pursuant to this
3 13 section shall provide, at a minimum, all of the following:

3 14 (1) Educational materials about the program to inform the
3 15 public and other stakeholders about the purpose of the
3 16 collection program and how to participate in the program.

3 17 (2) A method for implementing, operating, maintaining, and
3 18 monitoring the system, in accordance with subsection 3. This
3 19 may include the use of third=party contractors that are
3 20 qualified and fully insured to perform these tasks.

3 21 (3) Information about mercury=added switches identifying
3 22 all of the following:

3 23 (a) The make, model, and year of vehicles potentially
3 24 containing mercury=added switches.

3 25 (b) A description of the mercury=added switches.

3 26 (c) The location of the mercury=added switches.

3 27 (d) The safe, cost=effective, and environmentally sound
3 28 methods for the removal of the mercury=added switches from
3 29 end=of=life vehicles.

3 30 (4) A method to arrange and pay for the transportation of
3 31 the collected mercury=added switches to permitted facilities.

3 32 (5) A method to arrange and pay for the recycling of the
3 33 mercury=added switches.

3 34 (6) A method to track participation and publish the
3 35 progress of the mercury=added switch collection in accordance

4 1 with section 455B.807, subsection 2.

4 2 (7) A database of participating vehicle recyclers,
4 3 including all of the following:

4 4 (a) Documentation that the vehicle recycler joined the
4 5 program.

4 6 (b) Records of all submissions by a vehicle recycler of
4 7 any information required pursuant to subparagraph (6).

4 8 (c) Confirmation that the vehicle recycler has submitted
4 9 switches at least every twelve months since joining the
4 10 program.

4 11 (8) A target mercury-added switch capture rate for
4 12 vehicles manufactured by the manufacturer of ninety percent.
4 13 A description of additional or alternative actions that shall
4 14 be implemented by the manufacturer to improve the system and
4 15 its operation in the event that the target capture rate is not
4 16 met shall be published with the required tracking information
4 17 no less than annually.

4 18 (9) The program shall not include inaccessible
4 19 mercury-added switches from end-of-life vehicles with
4 20 significant damage to the vehicle in the area surrounding the
4 21 mercury-added switch location. All accessible mercury-added
4 22 switches are expected to be collected under the provisions of
4 23 this division.

4 24 c. In developing a removal, collection, and recovery
4 25 system for end-of-life vehicles, a manufacturer shall, to the
4 26 extent practicable, utilize the existing end-of-life vehicle
4 27 recycling infrastructure.

4 28 d. If the commission determines that the manufacturer's
4 29 plan for a system to remove, collect, and recover
4 30 mercury-added switches from end-of-life vehicles does not
4 31 comply with this section, the commission may require the
4 32 manufacturer to make any necessary modification to the plan.

4 33 e. On July 1, 2020, the commission shall cease enforcement
4 34 of the removal, collection, and recovery plans under this
4 35 section. On or before July 1, 2020, the commission shall
5 1 review the mercury-added switch removal, collection, and
5 2 recovery portion of this division and submit a recommendation
5 3 to the general assembly regarding the necessity of continuing
5 4 the enforcement of the removal, collection, and recovery plans
5 5 under this section.

5 6 3. The total cost of the removal, collection, and recovery
5 7 system for mercury-added switches shall be paid by the
5 8 manufacturer. Costs shall include but not be limited to all
5 9 of the following:

5 10 a. Labor to remove mercury-added switches. Labor shall be
5 11 reimbursed at a minimum rate of four dollars per mercury-added
5 12 switch removed, or if the vehicle identification number of the
5 13 source vehicle is required for reimbursement, at a minimum
5 14 rate of five dollars.

5 15 b. Training.

5 16 c. Packaging in which to transport mercury-added switches
5 17 to recycling, storage, or disposal facilities.

5 18 d. Shipping of mercury-added switches to recycling,
5 19 storage, or disposal facilities.

5 20 e. Recycling, storage, or disposal of the mercury-added
5 21 switches.

5 22 f. Public education materials and presentations.
5 23 g. Maintenance of all appropriate systems and procedures
5 24 to protect the environment from mercury contamination from
5 25 collected mercury=added switches.

5 26 4. A vehicle recycler that performs as required under a
5 27 removal, collection, and recovery plan shall be afforded the
5 28 protections provided in section 613.18.

5 29 Sec. 5. NEW SECTION. 455B.804 PROHIBITION AND PROPER
5 30 MANAGEMENT OF MERCURY=ADDED VEHICLE SWITCHES.

5 31 1. Prior to delivery to a scrap recycling facility, a
5 32 person who sells, gives, or otherwise conveys ownership of an
5 33 end=of=life vehicle to the scrap recycling facility for
5 34 recycling shall remove all mercury=added switches from such
5 35 end=of=life vehicle unless the mercury=added switch is
6 1 inaccessible due to significant damage to the end=of=life
6 2 vehicle in the area where the mercury=added switch is located.

6 3 2. A person shall not represent that mercury=added
6 4 switches have been removed from a vehicle or vehicle hulk
6 5 being sold, given, or otherwise conveyed for recycling if that
6 6 person has not removed such mercury=added switches or arranged
6 7 with another person to remove such switches.

6 8 Sec. 6. NEW SECTION. 455B.805 GENERAL COMPLIANCE WITH
6 9 OTHER PROVISIONS.

6 10 Except as expressly provided in this division, compliance
6 11 with this division shall not exempt a person from compliance
6 12 with any other law.

6 13 Sec. 7. NEW SECTION. 455B.806 REGULATIONS.

6 14 The commission shall adopt rules pursuant to chapter 17A as
6 15 necessary to implement the provisions of this division.

6 16 Sec. 8. NEW SECTION. 455B.807 PUBLIC NOTIFICATION.

6 17 1. The department shall make available to the general
6 18 public in an electronic format the plan of a manufacturer for
6 19 a system to remove, collect, and recover mercury=added
6 20 switches from end=of=life vehicles and any report required
6 21 under section 455B.808.

6 22 2. Publication of all required plans, information,
6 23 reports, and educational materials under this division shall
6 24 be through no less than two types of media available to the
6 25 general public. One medium must be available twenty=four
6 26 hours per day, seven days per week, and maintained with
6 27 current information. Acceptable types of media include but
6 28 are not limited to internet websites, periodicals, journals,
6 29 and other publicly available media in the state.

6 30 Sec. 9. NEW SECTION. 455B.808 REPORTING.

6 31 One year after the implementation of a removal, collection,
6 32 and recovery system, and annually thereafter, a manufacturer
6 33 subject to section 455B.803 shall report to the department
6 34 concerning the performance under the manufacturer's plan. The
6 35 report shall include statistical information received under
7 1 section 455B.803. The report shall also include but not be
7 2 limited to all of the following:

7 3 1. The number of mercury=added switches collected.

7 4 2. An estimate of the amount of mercury contained in the
7 5 collected switches.

7 6 3. The capture rate as defined in section 455B.802.

7 7 4. The estimated number of vehicles manufactured by the

7 8 manufacturer containing mercury-added switches.
7 9 5. The estimated number of vehicles manufactured by the
7 10 manufacturer that have been processed for recycling by vehicle
7 11 recyclers.

7 12 Sec. 10. NEW SECTION. 455B.809 STATE PROCUREMENT.

7 13 Notwithstanding other policies and guidelines for the
7 14 procurement of vehicles, the state shall, within one year of
7 15 the effective date of this Act, revise its policies, rules,
7 16 and procedures to give priority and preference to the purchase
7 17 of vehicles free of mercury-added components taking into
7 18 consideration competition, price, availability, and
7 19 performance.

7 20 Sec. 11. FUTURE REPEAL OF MERCURY-FREE RECYCLING ACT ==
7 21 IMPLEMENTATION OF NATIONAL PROGRAM.

7 22 1. If a national mercury switch recovery program is
7 23 developed and implemented with the cooperation and approval of
7 24 the United States environmental protection agency, the
7 25 provisions of this division shall be superseded by the
7 26 provisions of the national program, and sections 455B.801
7 27 through 455B.809, as enacted in this division of this Act, are
7 28 repealed, provided the following conditions are met:

7 29 a. The national program includes a target mercury-added
7 30 switch capture rate for this state that meets or exceeds the
7 31 target capture rate established in section 455B.803, as
7 32 enacted in this division of this Act.

7 33 b. The national program includes a funding mechanism that
7 34 provides for the total costs of the national mercury switch
7 35 recovery program implemented in this state to be paid for by
8 1 program participants or with federal moneys.

8 2 2. The director of the department of natural resources
8 3 shall notify the Code editor of the date when the national
8 4 mercury switch recovery program is implemented.

8 5 DIVISION II
8 6 SALVAGE VEHICLE TITLES

8 7 Sec. 12. Section 321.52, subsection 4, paragraph a, Code
8 8 Supplement 2005, is amended to read as follows:

8 9 a. A vehicle rebuilder or a person engaged in the business
8 10 of buying, selling, or exchanging vehicles of a type required
8 11 to be registered in this state, upon acquisition of a wrecked
8 12 or salvage vehicle, shall surrender the certificate of title
8 13 or manufacturer's or importer's statement of origin properly
8 14 assigned, together with an application for a salvage
8 15 certificate of title, to the county treasurer of the county of
8 16 residence of the purchaser or transferee within thirty days
8 17 after the date of assignment of the certificate of title for
8 18 the wrecked or salvage motor vehicle. This subsection applies
8 19 only to vehicles with a fair market value of five hundred
8 20 dollars or more, based on the value before the vehicle became
8 21 wrecked or salvage. Upon payment of a fee of two dollars, the
8 22 county treasurer shall issue a salvage certificate of title
8 23 which shall bear the word "SALVAGE" stamped or printed on the
8 24 face of the title in a manner prescribed by the department. A
8 25 salvage certificate of title may be assigned to an educational
8 26 institution, a new motor vehicle dealer licensed under chapter
8 27 322, a person engaged in the business of purchasing bodies,
8 28 parts of bodies, frames or component parts of vehicles for

8 29 sale as scrap metal, a salvage pool, or an authorized vehicle
8 30 recycler licensed under chapter 321H. An authorized vehicle
8 31 recycler licensed under chapter 321H or a new motor vehicle
8 32 dealer licensed under chapter 322 may assign or reassign a
8 33 salvage certificate of title to any person. A vehicle on
8 34 which ownership has transferred to an insurer of the vehicle
8 35 as a result of a settlement with the owner of the vehicle
9 1 arising out of damage to, or unrecovered theft of, the vehicle
9 2 shall be deemed to be a wrecked or salvage vehicle and the
9 3 insurer shall comply with this subsection to obtain a salvage
9 4 certificate of title within thirty days after the date of
9 5 assignment of the certificate of title of the vehicle.

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CHRISTOPHER C. RANTS
Speaker of the House

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JEFFREY M. LAMBERTI
President of the Senate

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9 17 I hereby certify that this bill originated in the House and
9 18 is known as House File 2362, Eighty-first General Assembly.

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MARGARET THOMSON
Chief Clerk of the House

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9 24 Approved _____, 2006

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9 28 THOMAS J. VILSACK

9 29 Governor