



1 **"§ 105-187.60. Definitions.**

2 The definitions in G.S. 105-164.3 apply to this Article, except that the term 'sale'  
3 does not include lease or rental. As used in this Article, 'electronic device' means central  
4 processing units, whether sold alone or with accessories; computer monitors; laptop  
5 computers; televisions with video displays having a viewable area greater than nine  
6 inches when measured diagonally; and computer printers and multifunction printers.

7 **"§ 105-187.61. Tax imposed.**

8 A privilege tax is imposed on an electronic device retailer on a percentage basis of  
9 the sales price of each new electronic device sold at retail by the retailer. An excise tax  
10 is imposed on a new electronic device purchased outside the State for storage, use, or  
11 consumption in this State. The rate of the privilege tax and the excise tax is one percent  
12 (1%) of the sales price of each new electronic device. These taxes are in addition to all  
13 other taxes.

14 **"§ 105-187.62. Administration.**

15 The privilege tax this Article imposes on an electronic device retailer is an additional  
16 State sales tax, and the excise tax this Article imposes on the storage, use, or  
17 consumption of a new electronic device in this State is an additional State use tax.  
18 Except as otherwise provided in this Article, these taxes shall be collected and  
19 administered in the same manner as the State sales and use taxes imposed by Article 5  
20 of this Chapter. As under Article 5 of this Chapter, the additional State sales tax paid  
21 when a new electronic device is sold at retail is a credit against the additional State use  
22 tax imposed on the storage, use, or consumption of the same electronic device.

23 **"§ 105-187.63. Exemptions and refunds.**

24 Except for the exemption provided in G.S. 105-164.13(17), the exemptions in  
25 G.S. 105-164.13 do not apply to the taxes imposed by this Article. The refunds allowed  
26 in G.S. 105-164.14 do not apply to the taxes imposed by this Article.

27 **"§ 105-187.64. Use of tax proceeds.**

28 The Secretary shall distribute the taxes collected under this Article, less the  
29 Department of Revenue's allowance for administrative expenses, in accordance with this  
30 section. The Secretary may retain the Department's cost of collection, not to exceed two  
31 hundred twenty-five thousand dollars (\$225,000) a year, as reimbursement to the  
32 Department. Retailers may retain up to two percent (2%) of the collected tax for  
33 administrative costs related directly to the tax. Each quarter, the Secretary shall credit  
34 the net tax proceeds to the Electronics Recycling Account.

35 **"§§ 105-187.65 through 105-187.69: Reserved for future codification purposes."**

36 **SECTION 2.** Article 9 of Chapter 130A of the General Statutes is amended  
37 by adding a new Part to read:

38 "Part 2E. Electronics Recycling Act of 2005.

39 **"§ 130A-309.90. Title.**

40 This Part may be cited as the 'North Carolina Electronics Recycling Act of 2005'.

41 **"§ 130A-309.91. Definition.**

42 As used in this Part, 'electronic device' means central processing units, whether sold  
43 alone or with accessories; computer monitors; laptop computers; televisions with video

1 displays having a viewable area greater than nine inches when measured diagonally; and  
2 computer printers and multifunction printers.

3 **"§ 130A-309.92. Management of electronic devices; eligibility for distributions.**

4 (a) A county that amends its solid waste management plan adopted pursuant to  
5 G.S. 130A-309.09A to include a section on recycling electronic devices and that  
6 implements an electronic devices recycling program is eligible to receive distributions  
7 from the Electronics Recycling Account under G.S. 130A-309.94. A municipality is  
8 eligible to receive distributions from the Electronics Recycling Account if the county in  
9 which the municipality is located fails by January 1, 2008, to amend its solid waste  
10 management plan to include a section on recycling electronic devices or fails to  
11 implement an electronic devices recycling program, and if the municipality amends its  
12 solid waste management plan adopted pursuant to G.S. 130A-309.09A to include a  
13 section on recycling electronic devices and implements an electronic devices recycling  
14 program.

15 (b) A county or a municipality that receives distributions from the Electronics  
16 Recycling Account shall not charge a fee for the recycling of electronic devices.

17 (c) A unit of local government may contract with another unit of local  
18 government or a private entity in accordance with Article 15 of Chapter 153A of the  
19 General Statutes to provide for the recycling of discarded electronic devices.

20 **"§ 130A-309.93. Use of distributions.**

21 A county or a municipality that is eligible under G.S. 130A-309.92 to receive  
22 distributions from the Electronics Recycling Account shall use distributions exclusively  
23 for activities directly related to electronic devices recycling and may use distributions  
24 from the Electronics Recycling Account to offset any of the following:

25 (1) Collection, storage, and transportation of discarded electronic devices.

26 (2) Recycling processing fees for electronic devices.

27 (3) Costs of educating citizens about its electronic devices recycling  
28 program.

29 (4) Costs of capital equipment and buildings used exclusively for  
30 electronic devices recycling when these costs were incurred no later  
31 than January 1, 2003, are documented, and were incurred to establish a  
32 permanent, year-round electronic devices collection program available  
33 to the public.

34 **"§ 130A-309.94. Electronics Recycling Account.**

35 (a) The Electronics Recycling Account is established within the Department. The  
36 Account consists of revenue credited to the Account from the proceeds of the  
37 electronics recycling tax imposed by Article 5G of Chapter 105 of the General Statutes.

38 (b) Subject to subsection (d) of this section, funds in the Account shall be  
39 allocated and used as follows:

40 (1) Ninety percent (90%) for distribution to counties and municipalities  
41 that are eligible to receive distributions under G.S. 130A-309.92.

42 (2) Six percent (6%) for supplemental grant funding to units of local  
43 government to help initiate local programs, enhance existing local

1            electronic devices recycling services, and encourage regionalization of  
2            local electronic devices programs.

3            (3) Four percent (4%) to the Department for the administration of the  
4            distributions from the Electronics Recycling, the supplemental grants  
5            under subdivision (2) of this subsection, the certification of electronic  
6            devices recycling companies, the evaluation of reports submitted by  
7            counties and municipalities under G.S. 130A-309.96(a), and the  
8            writing of an annual report by the Department under G.S. 130A-309.97  
9            on the management of discarded electronic devices.

10          (c) Distributions from the Electronics Recycling Account shall be made  
11          quarterly. Distributions from the Electronic Recycling Account to counties and  
12          municipalities shall, subject to subsection (f) of this section, be made on the basis of the  
13          per capita share of the State's population of the county or municipality receiving a  
14          distribution.

15          (d) If distributions to counties and municipalities are unclaimed due to delays by  
16          counties and municipalities in becoming eligible for distributions under  
17          G.S. 130A-309.92 or due to underutilization of the distributions, as determined by the  
18          Department, the Department may use up to seventy-five percent (75%) of these  
19          unclaimed distributions for supplemental grants under subdivision (2) of subsection (b)  
20          of this section and for providing technical assistance and education efforts to support the  
21          program under this Part.

22          (e) Each county and municipality that is eligible to receive distributions from the  
23          Account shall develop a method of fully accounting for its use of the distribution it  
24          receives. No later than September 15 of each year, counties and municipalities that are  
25          eligible to receive distributions shall submit to the Department an annual full-cost  
26          accounting of their electronic devices recycling program on a form provided by the  
27          Department.

28          (f) A county or municipality that uses less than ninety percent (90%) of its  
29          distribution for the previous fiscal year shall receive a distribution for the next fiscal  
30          year that is reduced by the amount of funds that remain available to it from the previous  
31          year's distribution. A county or municipality that uses ninety percent (90%) or more of  
32          its distribution for the previous fiscal year shall receive its full annual distribution the  
33          next fiscal year.

34          **"§ 130A-309.95. Effect of local ordinance.**

35          This Part preempts any local ordinance regarding the management of discarded  
36          electronic devices to the extent, and only to the extent, that the local ordinance is  
37          inconsistent with this Part or the rules adopted pursuant to this Part.

38          **"§ 130A-309.96. Duties of Department.**

39          (a) Administration of Distributions from Account. – The Department shall  
40          administer the distribution of funds in the Electronics Recycling Account to counties  
41          and municipalities that are eligible for distributions under G.S. 130A-309.92. The  
42          Department shall develop and implement a process for each county and municipality  
43          that receives a distribution to report to the Department on its use of these funds during  
44          the previous fiscal year so that the Department is able to determine the amount of funds

1 to distribute to the county or the municipality under G.S. 130A-309.94(f) for the next  
2 fiscal year.

3 (b) Local Government Assistance. – The Department shall provide assistance to  
4 units of local government developing electronic devices recycling programs. As part of  
5 this assistance, the Department shall assist with the coordination of regional recovery  
6 efforts for discarded electronic devices.

7 (c) State Term Recycling Contract. – The Department shall assist the Department  
8 of Administration in establishing a State term recycling contract with electronics  
9 recycling processors that may be used by units of local government.

10 (d) Supplemental Grant Program. – The Department shall develop and implement  
11 a supplemental grant program, utilizing the funds allocated pursuant to  
12 G.S. 130A-309.94(b)(2), to encourage and enhance the establishment of electronic  
13 devices recycling programs.

14 (e) Training for Local Electronic Devices Recycling Programs. – The  
15 Department shall develop and offer a program or shall approve for use a program  
16 developed and offered by other parties to train persons to operate an effective electronic  
17 devices recycling program. This training program shall address the requirements and  
18 procedures for counties and municipalities to become eligible for distributions from the  
19 Electronics Recycling Account.

20 **"§ 130A-309.97. Annual report.**

21 The Department shall include in the report to be delivered to the Environmental  
22 Review Commission on or before 15 January of each year pursuant to  
23 G.S. 130A-309.06(c) a description of the management of discarded electronic devices in  
24 the State for the fiscal year ending the preceding 30 June. The description of the  
25 management of electronic devices shall include all of the following information:

- 26 (1) An evaluation of the implementation of the Electronics Recycling Act  
27 of 2005.  
28 (2) The amount of taxes collected and distributed under G.S. 105-187.61  
29 during the period covered by the report.  
30 (3) The beginning and ending balances of the Electronics Recycling  
31 Account for the period covered by the report and a list of distributions  
32 made from the Account for the period.  
33 (4) Any other information the Department considers helpful in  
34 understanding the problem of managing electronic devices.

35 **"§§ 130A-309.98 through 130A-309.99: Reserved for future codification purposes."**

36 **SECTION 3.** G.S. 130A-309.06(c) is amended by adding a new subdivision:

37 "(14) A description of the management of electronics in the State, as  
38 required by G.S. 130A-309.97."

39 **SECTION 4.** G.S. 130A-309.96, as enacted by Section 2 of this act, is  
40 amended by adding a new subsection to read:

41 "(f) Electronics Recyclers Certification. – The Department shall establish a  
42 program to certify electronic devices recycling companies that provide services to  
43 counties and municipalities that are eligible for distributions from the Electronics  
44 Recycling Account to ensure that the companies are in compliance with all applicable

1 laws and requirements and are handling discarded electronic devices and electronic  
2 materials properly to reduce adverse environmental and public health impacts."

3 **SECTION 5.** G.S. 130A-309.92, as enacted by Section 2 of this act, is  
4 amended by adding a new subsection to read:

5 "(d) A county or a municipality that is otherwise eligible under this section to  
6 receive distributions from the Electronics Recycling Account shall lose its eligibility  
7 under this section unless the county or the municipality uses an electronic devices  
8 recycler certified by the Department under G.S. 130A-309.96. A county or municipality  
9 that loses its eligibility under this subsection may regain its eligibility after it comes into  
10 compliance with this subsection."

11 **SECTION 6.** G.S. 130A-309.10(f) reads as rewritten:

12 "(f) No person shall knowingly dispose of any of the following solid wastes in  
13 landfills:

- 14 (1) Repealed by Session Laws 1991, c. 375, s. 1.
- 15 (2) Used oil.
- 16 (3) Yard trash, except in landfills approved for the disposal of yard trash  
17 under rules adopted by the Commission. Yard trash that is source  
18 separated from solid waste may be accepted at a solid waste disposal  
19 area where the area provides and maintains separate yard trash  
20 composting facilities.
- 21 (4) White goods.
- 22 (5) Antifreeze (ethylene glycol).
- 23 (6) Aluminum cans.
- 24 (7) Whole scrap tires, as provided in G.S. 130A-309.58(b). The  
25 prohibition against landfilling whole tires applies to all whole  
26 pneumatic rubber coverings, but does not apply to whole solid rubber  
27 coverings.
- 28 (8) Lead-acid batteries, as provided in G.S. 130A-309.70.
- 29 (9) Electronic devices as defined in G.S. 130A-309.91."

30 **SECTION 7.** G.S. 130A-309.10(f1) reads as rewritten:

31 "(f1) No person shall knowingly dispose of any of the following solid wastes by  
32 incineration in an incinerator for which a permit is required under this Article:

- 33 (1) Antifreeze (ethylene glycol) used solely in motor vehicles.
- 34 (2) Aluminum cans.
- 35 (3) Repealed by Session Laws 1995 (Regular Session, 1996), c. 594, s. 17.
- 36 (4) White goods.
- 37 (5) Lead-acid batteries, as provided in G.S. 130A-309.70.
- 38 (6) Electronic devices as defined in G.S. 130A-309.91."

39 **SECTION 8.** Sections 1, 2, 3, and 8 of this act become effective January 1,  
40 2006. Section 4 through Section 7 of this act become effective January 1, 2009. The  
41 Department of Environment and Natural Resources shall make distributions to counties  
42 and municipalities under Part 2E of Article 9 of Chapter 130A of the General Statutes,  
43 as enacted by Section 2 of this act, beginning on 1 July 2006.