

## E-Cycle Wisconsin Guidance on Sale of "Paper Weight" Among Registered Recyclers and Authorized Brokers

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### Purpose

This document provides guidance on "paper weight" transactions between registered E-Cycle Wisconsin recyclers and authorized brokers. It does not cover situations where a registered recycler sends whole, unprocessed electronics to another registered recycler for recycling. If you have questions about a particular scenario, contact Department of Natural Resources E-Cycle Wisconsin staff at <u>DNRWIe-cycling@wisconsin.gov</u>.

## Terms used in this document

The following groups of E-Cycle Wisconsin program participants are defined under s. 287.17, Wis. Stats., or ch. NR 530, Wis. Adm. Code.

**Authorized brokers** provide services to registered manufacturers and recyclers for the purpose of cooperation under s. 287.17 (2) (b), Wis. Stats. Typically, this means purchasing "paper weight" of recycled eligible electronics from one or more registered recyclers on behalf of one or more registered manufacturers. An authorized broker may also be a registered collector, recycler or manufacturer.

# E-Cycle Wisconsin device definitions

For details about which electronics are "covered" or "eligible" electronic devices under E-Cycle Wisconsin, refer to s. 287.17 (1), Wis. Stats., or <u>dnr.wi.gov/topic/ecycle/wisconsin.html</u>.

**Collectors** receive eligible electronic devices from Wisconsin households and K-12 schools and send the electronics to a registered recycler.

Recyclers dismantle and recycle material from eligible electronics, and may also operate as collectors.

**Manufacturers** of covered electronic devices have annual recycling targets, which are based on the weight of covered electronics sold to Wisconsin households and K-12 schools. A manufacturer that exceeds its recycling target earns credits for use in future program years. A manufacturer that fails to meet its recycling target must pay a shortfall fee. Manufacturers may work with brokers, collectors and recyclers to meet their targets.

#### "Paper weight"

Under E-Cycle Wisconsin, eligible electronics move physically from a registered collection site or consolidation point to a registered recycler's facility, where they are dismantled into components and recyclable commodities such as glass, plastic, aluminum and steel. Registered manufacturers with a recycling target typically pay an agreed-upon amount (usually a price per pound) to cover recycling costs for the number of pounds of eligible electronics the manufacturer needs to recycle. This is often referred to as "purchasing" pounds, but the manufacturers are not buying or directly receiving materials from the electronics. Therefore, the pounds purchased by manufacturers (or authorized brokers working on their behalf) can be thought of as "paper weight" equivalent to the pounds of physical materials being recycled.

## Requirements for authorized brokers in "paper weight" transactions

Anyone, including a registered recycler, wishing to operate as an authorized broker on behalf of one or more registered manufacturers must notify the DNR and provide the name, address and contact information of an individual responsible for ensuring compliance [s. NR 530.10 (2), Wis. Adm. Code]. Contact DNR E-Cycle Wisconsin staff at DNRWIe-cycling@wisconsin.gov.

Authorized brokers do not fill out an annual registration form, but must submit a "broker weight summary" to the DNR by March 1 each year [s. NR 530.10 (3), Wis. Adm. Code]. The summary allows for the broker to report how much "paper

weight" it purchased or received and assigned to manufacturers or other brokers it works with, so the manufacturers can then import the information into their report forms.

Authorized brokers may purchase or receive "paper weight" from registered recyclers or other brokers. They may also purchase or receive credits from manufacturers that have credits available from previous program years.

A registered recycler that purchases/receives "paper weight" from other registered recyclers must do so as a broker and must submit the annual broker weight summary, in addition to its annual recycler report. This helps distinguish pounds of eligible electronics a recycler has physically recycled from "paper weight" it has purchased or received from others. It also provides flexibility for recyclers to purchase "paper weight" from other brokers or credits from manufacturers. A registered recycler that is only selling/assigning "paper weight" to an authorized broker or manufacturer is not acting in the role of a broker and therefore does not need to fill out an additional broker form.

## Requirements for recyclers selling paper weight

A registered recycler wishing to sell or assign "paper weight" to authorized brokers or manufacturers must meet all of the following requirements:

- 1. The recycler selling the "paper weight" must be registered for the program year for which the sale happens and have recycled the eligible electronics at a registered facility.
- 2. All eligible electronics must have been received from Wisconsin households, covered schools or registered E-Cycle Wisconsin collectors during the program year for which the pounds will be sold.
- 3. The eligible electronics must be recycled according to all E-Cycle Wisconsin program requirements.

A registered recycler that has sold, or assigned, "paper weight" to an authorized broker will list the weight sold in the same section of the online annual report that it lists weight sold/assigned to registered manufacturers. The drop-down list in this section includes the names of both brokers and manufacturers.

#### **More information**

More information for E-Cycle Wisconsin registered recyclers, manufacturers and authorized brokers, including links to other guidance documents mentioned above, is available on the DNR website. Go to <u>dnr.wi.gov and search "ecycle."</u> For help registering or accessing the online reporting system, contact DNR E-Cycle Wisconsin staff at <u>DNRWIe-cycling@wisconsin.gov</u>.



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**Disclaimer:** This document is intended solely as guidance and does not contain any mandatory requirements except where requirements found in statute or administrative rule are referenced. Any regulatory decisions made by the Department of Natural Resources in any matter addressed by this guidance will be made by applying the governing statutes and administrative rules to the relevant facts.

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