

The mercury lights product stewardship program is funded through an environmental handling charge (EHC) that is added to the cost of each bulb. The EHC must be remitted to LightRecycle Washington by the producer, retailer, or distributor. This information will assist producers, distributors, retailers and others identify which situation applies to them.

Scenario 1: Producer Remits the EHC

- All lights sold by the distributor/retailer will be sold at retail.
- The producer includes the EHC for every light sold on the invoice to the distributor/retailer.
- The distributor/retailer pays the EHC to the producer.
- The distributor/retailer passes the EHC through the supply chain to the consumer. They have the choice as to whether or not to display the EHC on the invoice.
- The producer registers with PCA, reports sales, and remits the EHCs to the LightRecycle Program.
- No remitter agreement¹ required.

Scenario 2: Retailer Chooses to Remit the EHC

- The retailer may elect to be the remitter. If the retailer is the remitter, the producer and/or distributor does not include the EHC on the invoice for lights sold to the retailer.
- The retailer adds the EHC to lights sold at retail in WA so the consumer pays it.
- The retailer has the choice as to whether or not to display the EHC on the invoice.
- The retailer registers with PCA, reports sales, and remits the EHCs to the LightRecycle Program.
- Remitting retailers are entitled to the Remitting Retailer Hold-back²
- A remitter agreement¹ is required between the producer and the retailer, or the distributor and the retailer (when the distributor is acting as the producer), whereby the retailer agrees to remit the EHCs. The retailer acknowledges that neither the supplier nor the distributor will report sales.

Scenario 3: Distributor Chooses to Remit the EHC

- The distributor may elect to be the remitter. The distributor will be classified as the producer in this scenario.
- If the distributor is the remitter, the producer does not include the EHC on the invoice for lights sold to the distributor.
- The distributor adds the EHC to lights sold at retail in WA, or lights sold to retailers for sale at retail in WA.
- The retailer pays the EHC to the distributor. The retailer passes this cost to the consumer, and they have the choice as to whether or not to display the EHC on the invoice.
- The distributor registers with PCA, reports sales, and remits the EHCs to the LightRecycle Program.
- A remitter agreement¹ is required between the producer and the distributor, whereby the distributor agrees to remit the EHCs. The distributor acknowledges that neither the supplier nor the retailer will report sales.

Notes:

¹ **Remitter Agreement:** The remitter agreement is an agreement between two parties identifying who will be the remitter. The remitter must register with PCA to report sales on the PCA online reporting system.

² **Remitting Retailer Hold-back:** The Remitting Retailer hold-back is \$0.02 per unit, up to a maximum of \$200 per reporting period. Participants must report and remit EHCs on a monthly basis. Participants who remit less than \$10,000 of EHCs annually may request to report on a quarterly basis, but only after 12 months of remittance history is available.