The Oklahoma Computer Equipment Recovery Act:

A Summary of the 2014 Manufacturer Annual Reports

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Oklahoma Department of Environmental Quality
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Submitted To:

The Governor, the President Pro Tempore of the Senate, and the Speaker of the House of Representatives

Introduction

The Oklahoma Computer Equipment Recovery Act ("Act"), 27A O.S. § 2-11-601 *et seq*., was signed into law on May 12, 2008 and became effective on January 1, 2009. The Act requires manufacturers, as defined in 27A O.S. § 2-11-603, to submit annual reports to the Oklahoma Department of Environmental Quality ("DEQ") no later than March 1st of each year that include:

1. A summary of the recovery program implemented by the manufacturer during the previous calendar year, specifically describing the methods of recovery implemented by the manufacturer;
2. The weight of covered devices collected and recovered during the previous calendar year;
3. The location and dates of any electronic waste collection events during the previous calendar year, if any, and the location of collection sites if any; and
4. Certification that the collection and recovery of covered devices complies with the provisions of Section 9 of the Act.[1]

The Act requires DEQ to summarize the recovery program in a report for the Governor, the President Pro Tempore of the Senate, and the Speaker of the House of Representatives.

Background

The Act was created as part of an ongoing, nationwide effort, embraced and supported by the computer industry, to establish convenient and environmentally sound collection, recycling, and reuse of electronics that have reached the end of their useful lives. There are currently 25 states with legislation relating to computer equipment recovery. Under the Act, consumers, retailers, manufacturers, and DEQ share responsibilities. Calendar year 2014 marks the sixth year the program has been in place.

Consumer Responsibilities

Consumers are responsible for removing all personal data, or other information, that may be on a covered device that is collected or recovered.

Retailer Responsibilities

Retailers of equipment defined in the Act are not to sell, or offer for sale, a covered device in Oklahoma unless the manufacturer has an approved recovery plan submitted to DEQ. Retailers also cannot offer for sale a manufacturer's product if it is not properly affixed with the manufacturer's brand label.

[1] Section 9 of the Oklahoma Computer Equipment Recovery Act states: All covered devices collected pursuant to the provisions of this Act shall be recovered in a manner that is in compliance with all applicable state, federal, and local laws.

Manufacturer Responsibilities

Manufacturers who produce, sell, import, or offer for sale more than 50 covered devices per year in the State of Oklahoma must adopt and implement a recovery plan that provides reasonably convenient collection services for consumers. Sales, production, and importation include online vendors as well. Recovery plans must explain how collection and recovery is provided at no charge to the consumer. Manufacturers' recovery plans must also include a statement that they will not dispose of their devices in landfills, or contract with recycling companies who do, other than incidental amounts. Collection methods must also be available and designed to meet the needs of all Oklahoma consumers.

Covered devices must be labeled with the manufacturer's brand, which must be permanently affixed and visible. In addition, manufacturers who maintain websites providing product information regarding covered devices must include collection and recovery information for consumers and provide that information to DEQ. As previously described, no later than March 1 of each year, manufacturers must submit annual reports to DEQ.

Manufacturers are divided into two categories: major and minor. A major manufacturer is defined as a manufacturer that sells, produces, or imports more than 1,000 covered devices. A minor manufacturer is defined as a manufacturer that sells, produces, or imports between 51 and 999 covered devices. According to the fee structure in place, major manufacturers pay an annual fee of $5,000 per year and minor manufacturers pay an annual fee of $1,000 per year to DEQ. This fee structure is subject to annual inflation increases. This fee differentiation was put in place to alleviate financial burden to small businesses. This fee structure was passed as a rule in April 2010 and became a responsibility of manufacturers beginning in 2011. Calendar year 2014 marks the fourth year that manufacturers have paid a fee in Oklahoma.

Oklahoma Department of Environmental Quality Responsibilities

The DEQ must review, and approve, all manufacturer-submitted recovery plans and annual reports. If plans, or reports, do not meet the standards of the Act, then the DEQ must notify manufacturers within 20 days to ensure compliance. The DEQ must maintain and make available a list of registered manufacturers who have implemented approved recovery plans including a separate list of manufacturers who collect additional brands other than their own. Recovery plans and annual reports must be filed and made available to the public pursuant to the Oklahoma Open Records Act.

The DEQ may conduct audits and inspections, take enforcement action, and assess penalties against a manufacturer, retailer, or recycler. In the 2014 calendar year, DEQ conducted 12 inspections of retailers across several Oklahoma counties. The DEQ also performed one compliance assistance visit at a recycling facility that accepts electronic waste per their certification requirements.

The DEQ is also responsible for public education regarding collection and recovery of covered devices. To comply with this requirement, the DEQ maintains a website with all requirements

including additional links and information regarding recovery. DEQ personnel also created an informational hand-out for local governments across the state to distribute to consumers. The DEQ and the Product Stewardship Institute ("PSI"), a non-profit organization devoted to reducing environmental impacts of consumer products, work closely together to address various electronics recycling issues within Oklahoma and accurately reflect the work DEQ and PSI are doing.

Additional Responsibilities

Section 10 of the Act is administered by the Office of Management and Enterprise Services, previously known as the Office of State Finance and the Oklahoma Department of Central Services. Section 10 states that no state agency shall contract for the purchase of covered electronic devices made by any manufacturer that is not on DEQ's list of registered manufacturers or that has been otherwise determined non-compliant with the provisions of the Act.

Current Program Status

In the first summary to the Governor, July 2009, the DEQ reported that only 15 manufacturers had implemented recovery plans. Additional efforts were made to locate manufacturers in the state. By the end of 2009, the DEQ had 27 manufacturers within the state with approved recovery plans. For the 2010 reporting period participation increased to 36 manufacturers. In 2011 there were 45 manufacturers registered with the DEQ. For the 2012 calendar year, DEQ had on file 52 manufacturers. In 2013, the amount of registered manufacturers increased to 71. The number of manufacturers implementing recovery plans in Oklahoma for 2014 was 78 and is likely to increase with continued public education efforts and progression of technology.

All current registered manufacturers have implemented mail back programs. As part of these programs, a consumer may print a pre-paid shipping label to send the item(s) back to the manufacturer, or the consumer may call a toll free number to request a shipping label. In addition to the mail back program, a few manufacturers offer drop-off locations within the state as an alternative recovery option. Recent developments for collection have included contracting with state recyclers that are certified. This provides more business, job, and collection opportunities for the State of Oklahoma. Another collection option for manufacturers is to host a community event. In 2010 and 2011 there were multiple statewide events hosted across Oklahoma; however, 2012-2014 did not see as many events thus bringing collection totals down.

A Summary of 2014 Annual Reports

All 2014 annual reports were due by March 1, 2015. DEQ sent notifications to all newly registered manufacturers in advance of the deadline. Included with the reminder were Annual Reporting Guidance Documents. DEQ created the guidance document in 2012 to assist manufacturers in the annual reporting process. With 25 states that have varying electronics laws, the guidance document provides concise and user-friendly requirements for Oklahoma. All manufacturers, with the exception of a few, who submitted reports used the guidance document and agreed it was helpful. A sample of the guidance is attached to the report. *See Figure 4*. DEQ has a handful of registered manufacturers who are not required to register by law, but chose to do so of their own accord and, therefore, were not required to submit annual reports or fees. For example, manufacturers who sell military devices, sell to businesses only, or manufacture equipment not covered in the Act, such as televisions, do not meet statutory requirements for reporting. In addition, manufacturers that do not sell, import, or offer for sale greater than 50 devices in the State of Oklahoma in a given year are not required to submit an annual report or annual fee in that particular year. Therefore, a manufacturers' status can change in any given year thus leading to some challenges for tracking down information. In the 2014 calendar year 58 of the 78 registered manufacturers met definitions within the Act and were required to submit reports and fees. Seventeen of those manufacturers are delinquent on annual reporting and annual fees. DEQ has made several attempts to contact these manufacturers in an effort to bring them into compliance; however, it is difficult to gain compliance with limited Agency resources when manufacturers are located out of state or out of country and their contacts change annually.

From the inception of the program, Oklahoma had increased recycling totals from 2009 to 2011. The 2009 collection total was 817,277 pounds. In 2010, manufacturers collected 2,554,632 pounds of electronics tripling the amount recovered in 2009 and boasting the largest increase in the nation. This success was mainly due to DEQ's efforts to increase awareness across the state. These efforts included retailer visits, communication with multiple municipalities, presentations at public events, universities, and schools as well as hosting informational booths at various conferences. 2011 brought a total of 3,150,583 pounds collected. The majority of state programs across the United States saw similar totals, or a slight decline in totals, from year two to year three; however, Oklahoma remained one of the only states to see a continued increase in collection. This was likely due to growth in the program and additional participation from manufacturers.

In 2012, there was a slight decline in collection totals at 2,422,456 pounds for the State of Oklahoma. In 2013, collection went back up to 2,585,789 pounds. This increase was likely due to the nearly twenty new manufacturers participating in the program. In 2014 totals have reached 2,672,595 pounds; however, with sixteen manufacturers delinquent on reporting this number is likely higher. Additionally, every manufacturer that submitted a report for calendar year 2014 reported a higher collection total than 2013. However, small declines in collection totals can still be seen as a national trend with varying reasons behind it. The most obvious

reason is that devices are becoming thinner and less bulky; therefore, the weight of collected devices is less even though more items may have been collected. Some states that require annual benchmarks by law are considering ways to account for the weight factor. A possibility for Oklahoma's specific small decline from 2011 is that one of the largest manufacturers did not host their statewide collection event in 2012, 2013, or 2014 and did not report the vast collection totals that were previously reported in 2010 and 2011. However, one important element to note is that although the larger manufacturers collected similar amounts in pounds to previous years, the smaller manufacturers that previously reported zero pounds are now reporting collection. This demonstrates that newer products are being replaced and finding their way back to all manufacturers and are being properly disposed of. The subsequent figures include a graph of collection in Oklahoma from year one to year six, a chart with individual manufacturer's annual reporting data, and a graph comparing manufacturers' individual collection.

Figure 1: A Comparison of Oklahoma Collection in Pounds for All Years

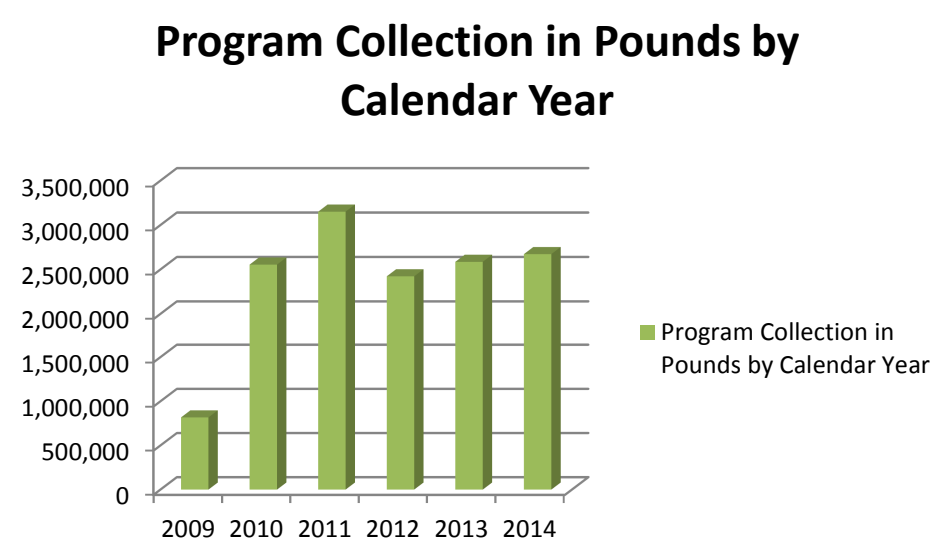

Figure 2: Individual Manufacturer Data for CY 2014

Manufacturer	Weight Collected
ACER	**31,158**
Apple Inc	**360,208**
Amazon	**1,911**
AnythingIT/Fujitsu	**0**
Archos	**N/A**
ASUS	**0**
Barnes and Noble	**0**
BenQ America	**0**
Best Buy	**852,103**
Coby	**N/A**
CyberPower	**0**
Dell	**523,433**
DoublePower Tech	**0**
DoubleSight Displays	**0**
DPI	**N/A**
Elo Touch	**0**
Ematic	**N/A**
EPI	**0**
Fuhu	**0**
General Dynamics	**N/A**
Google	**0**
Hannstar	**0**
Hisense USA	**0**
HKC Digital	**N/A**
HP	**96,023**
HTC America	**0**
IBM	**10**
Infotel frml. Systemax	**0**
Kobo	**3**
LeapFrog	**0**
Lenovo/RLG	**0**
LG	**155,000**
Mach Speed	**927**
Microsoft	**21,404**
Motorola	**0**
MSI	**0**
NEC	**0**
Netbook USA	**N/A**
Nixeus	**0**
Panasonic	**N/A**
Planar	**0**
Polaroid	**0**
RIM	**N/A**
Russell Distribution	**N/A**
Samsung	**579,420**
Sceptre	**N/A**
Sony	**50,000**
TechnoSource	**N/A**
TMAX	**0**
Toshiba	**0**
Velocity Micro	**N/A**
Verizon	**983**
ViewSonic	**12**
Visual Land	**N/A**
Vizio	**N/A**
VTech	**0**
Wacom	**0**
TOTAL COLLECTED	**2,672,595**

Conclusion

The recycling total for computer equipment in Oklahoma for 2014 was 2,672,595 pounds. All states report their annual recycling statistics to the National Center for Electronics Recycling so that program effectiveness can be evaluated nationally. These evaluations are critical on state, regional, and national levels to assess recycling trends and determine where improvements can be made on each level. Below is a map from the Sustainable Electronics Initiative depicting states that collect electronics, have task force laws, or have disposal bans. What were once 12 states collecting electronics in 2009, when Oklahoma initiated the Act, has grown to 25.

Now that state programs have multiple years of data, national studies are being conducted and reports published discussing program effectiveness. Many of these national reports to date use a Per Capita Index for determining effective collection. This takes into account the population of the state, but not the scope of individual laws. A state with a limited scope, like that of Oklahoma, will not see the collection percentages that other states will see simply because they do not collect those additional devices. If Oklahoma ever expanded the scope of its law, it is likely collection totals would greatly increase and the per capita percentage would surge making Oklahoma one of the top contenders for program effectiveness.

Whether new laws are passed, or current laws are amended, it is evident that national electronics laws are having an effect in the United States and consumers take advantage of the proper disposal options.

Figure 3: State Electronics Law Comparison

Figure 4: Sample of the Annual Reporting Guidance Document

OKLAHOMA ANNUAL REPORTING GUIDANCE DOCUMENT

The Oklahoma Computer Equipment Recovery Act (Act) became effective on January 1, 2009. Pursuant to O.S. § 27A 2-11-605(H) no later than March 1 of each year, each manufacturer shall submit a report to the Department of Environmental Quality (DEQ). As new technology is created, manufacturers should be mindful of additional devices that may fall under the Act. The Act may be found on DEQ's website at the following URL: http://www.deq.state.ok.us/lpdnew/EWaste/1631.pdf.

Portion Below to be filled out by the Manufacturer and Submitted to ODEQ by March 1.

Manufacturer Represented: _____ Printed Contact Name: _____

Reporting Year (January 1 – December 31): _____

1. Describe a brief summary of your current implemented recovery program listing any notable program, or contact, changes. You may include an attachment to this report.

2. List the total weight, in pounds, of covered devices collected: _____
3. Fill out the following table for location and dates of all collection events held during the reporting year. If no events were held, please state this:_____

Location	Date	Amount Collected

4. I hereby certify that collection and recovery of all covered devices complies with the provisions of Section 9 of the Oklahoma Computer Equipment Recovery Act. Section 9 states all covered devices collected shall be recovered in a manner that is in compliance with all applicable federal, state, and local laws.
   Signature Required: _____ Date: _____
   Contact Email or Telephone Number: _____