

The Oklahoma Computer Equipment Recovery Act:

A Summary of the 2012 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

Oklahoma's Governor signed Senate Bill 1631 into law on May 12, 2008. The Oklahoma Computer Equipment Recovery Act ("Act"), 27A O.S. § 2-11-601 *et seq.*, became effective on January 1, 2009. The Act requires manufacturers 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 2012 marks the fourth year the program has been in place and the fourth year for annual reporting by manufacturers.

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 provision 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, or import 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. 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.

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.

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 in April 2010 and became a responsibility of manufacturers beginning in 2011. Calendar year 2012 marks the second 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 2012 calendar year, DEQ conducted 28

inspections of retailers across several Oklahoma counties. The DEQ also performed inspections at three facilities in the state that accept electronic waste.

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 across the nation.

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 only 15 manufacturers who had implemented recovery plans. Additional efforts were made to locate manufacturers in the state. By the end of 2009, the ODEQ 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. The number of manufacturers implementing recovery plans in Oklahoma 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 the program, 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 did not see as many events thus bringing collection totals down. This could be due to the status of the national economy with fewer resources available for manufacturers to host collection events across the states.

A Summary of 2012 Annual Reports

All 2012 annual reports were due to DEQ by March 1, 2012. DEQ sent reminder letters to all registered manufacturers in advance of the deadline. Included with the reminder, were Annual Reporting Guidance Documents. This is a new project that DEQ created to assist manufacturers in the annual reporting process. With 25 states that have varying electronics laws, DEQ determined that a guidance document was needed. This document is concise, user-friendly, and clearly states Oklahoma's specific state requirements. All manufacturers, with the exception of three, who submitted reports used the guidance document and agreed it was beneficial and helpful. A sample of the document is attached within 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. Accordingly, all 38 of the manufacturers required by law to submit annual reports did so.

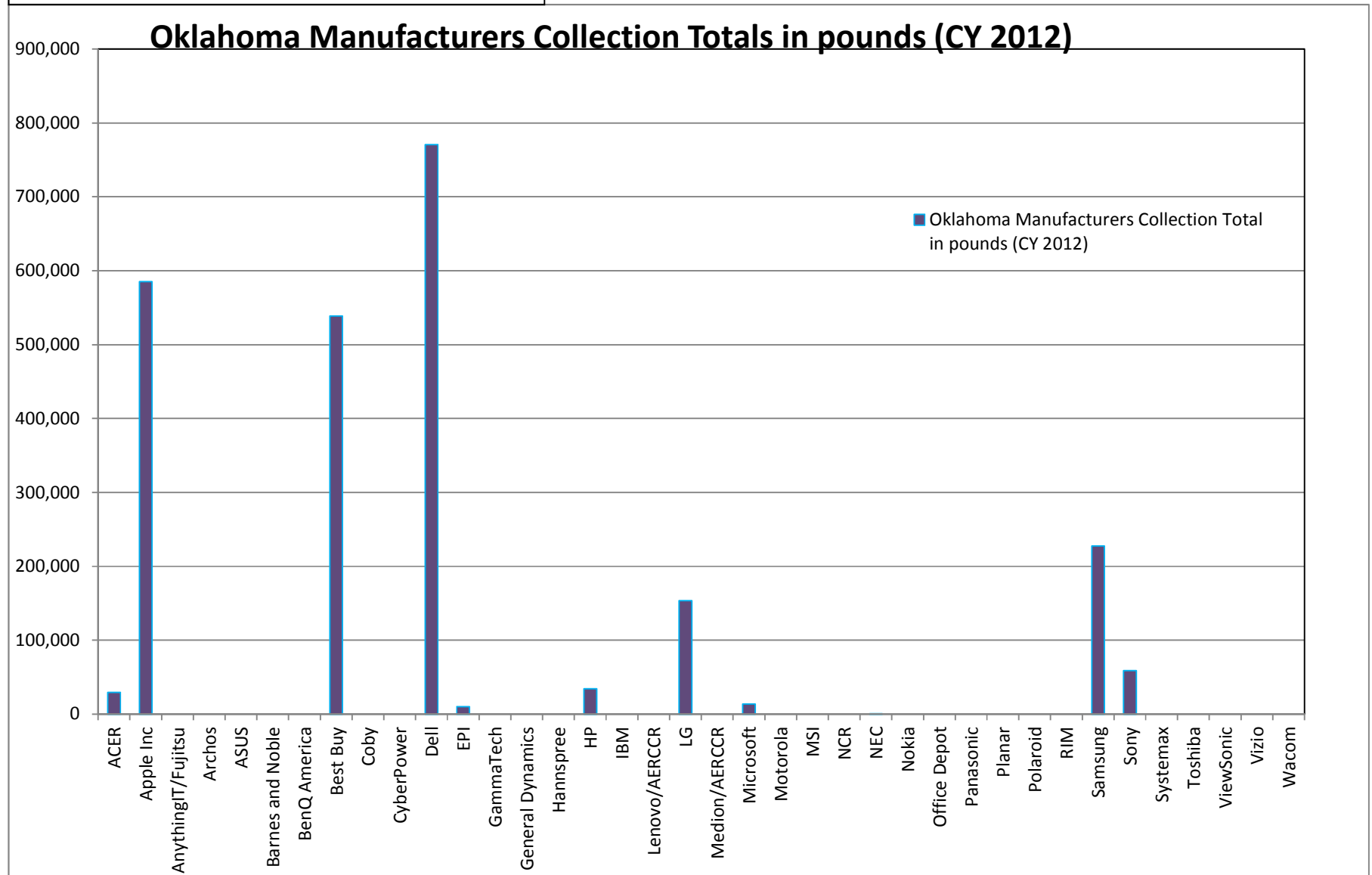
From the inception of the program, Oklahoma had increased recycling totals from 2009 to 2011. The 2009 calendar year total for collected devices was 817,277 pounds. In the 2010 calendar year, manufacturers reported collecting 2,554,632 pounds of electronics tripling the amount recovered in 2009 and boasting 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. This decline can be seen as a national trend with varying reasons behind it. The most obvious reason is that technology is becoming thinner and less bulky; therefore, the devices collected weigh less even though more items may have been collected. For states that require annual benchmarks by law, it has been suggested to find a way to take into account the fact that products now weigh less. Another possibility for Oklahoma's decline is that one of the largest manufacturers did not host their statewide event in 2012 and did not report the vast collection totals that were previously reported in 2010 and 2011. However, one important element to note is that though the larger manufacturers collected the same amount in pounds, or less, than 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 manufacturers of all sizes and are being properly recycled. The subsequent page demonstrates a chart with individual manufacturer's annual reporting data along with a bar graph on the following page displaying a comparison between recycling totals.

Figure 1: Individual Manufacturer Data for the 2012 Calendar

Manufacturer	Weight Collected
ACER	29,148
Apple Inc.	585,225
AnythingIT/Fujitsu	0
Archos	0
ASUS	0
Barnes and Noble	0
BenQ America	0
Best Buy	538,838
Coby	0
CyberPower	0
Dell	770,468
EPI	10,000
GammaTech	0
General Dynamics	0
Hannspree	0
HP	34,350
IBM	0
Lenovo/AERCCR	0
LG	153,618
Medion/AERCCR	0
Microsoft	13,781
Motorola	0
MSI	0
NCR	0
NEC	500
Nokia	0
Office Depot	0
Panasonic	0
Planar	0
Polaroid	0
RIM	0
Samsung	227,528
Sony	59,000
Systemax	0
Toshiba	0
ViewSonic	0
Vizio	0
Wacom	0
TOTAL COLLECTED	2,422,456

Figure 2: Manufacturer Collection Totals Bar Graph



Conclusion

The recycling total for computer equipment in Oklahoma for 2012 was 2,422,456 pounds. All states report their 2012 recycling statistics to the National Center for Electronics Recycling. Below is a chart demonstrating pounds collected from 2009 through 2012. The states selected for comparison either have the same bill context as Oklahoma (Missouri, Virginia, and Texas) or have the most comparable population (Oregon).

State	2009 (lbs.)	2010 (lbs.)	2011 (lbs.)	2012 (lbs.)	% Increase 09-10	% Increase 10-11	% Increase 11-12
Missouri	N/A	2,239,736	2,130,597	1,986,411	N/A	-5.12%	-7.26
Oklahoma	817,277	2,554,632	3,150,583	2,422,456	212.58%	18.92%	-30.06%
Oregon	18,993,738	24,149,774	25,889,949	27,051,000	27.15%	6.72%	4.29%
Texas	15,247,207	24,370,894	20,535,271	24,093,143	59.84%	-18.68%	14.77%
Virginia	7,565,000	4,439,446	3,722,734	3,232,547	-41.31%	-19.25%	-15.16%

Texas passed a bill amendment in 2010 to begin collecting televisions for recovery; this could be the cause for their increase in annual recycling totals while all other states with the same law language as Oklahoma are seeing a decrease in annual collection totals. 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 now grown to 25. Whether new laws are passed, or current laws are amended, it is evident that national electronics laws are successful 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.

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: _____