The Oklahoma Computer Equipment Recovery Act:
A Summary of the 2018 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 May 12, 2008, and became effective 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 by the 1st of July.

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 (See Figure 4). Under the Act, consumers, retailers, manufacturers, and DEQ share responsibilities. Calendar year 2018 marks the tenth 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 dispose of devices in landfills, 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 that provide product information regarding covered devices must include collection and recovery information for consumers and provide that information to DEQ. Manufacturers must submit annual reports to DEQ no later than March 1st of each year.

Manufacturers are divided into two categories: major and minor. A major manufacturer is defined as a manufacturer that sells, produces, or imports 1,000 or more covered devices in Oklahoma. A minor manufacturer is defined as a manufacturer that sells, produces, or imports between 51 and 999 covered devices in Oklahoma. Manufacturers that sell, produce, or import 50 or fewer covered devices in Oklahoma are exempt from registration.

According to the fee structure initially established by the Act, major manufacturers pay an annual fee of $5,000 per year to DEQ, and minor manufacturers pay an annual fee of $1,000 per year to DEQ. Fees are subject to annual inflation increases. The category differentiation was put in place to alleviate financial burden to small businesses. It was passed as a rule in April 2010 and became a responsibility of manufacturers beginning in 2011. Calendar year 2018 marks the eighth year that manufacturers have paid a fee in Oklahoma.

**Oklahoma Department of Environmental Quality Responsibilities**

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, DEQ must notify manufacturers within 30 days to ensure compliance. 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.

DEQ may conduct audits and inspections, take enforcement action, and assess penalties against a manufacturer, retailer, or recycler. DEQ is also responsible for public education regarding collection and recovery of covered devices. DEQ maintains a website with links and information regarding recovery.
Additional Provisions

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.

Historical Reporting Under the Program

In the first summary to the Governor in July of 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, there were 27 manufacturers within the state with approved recovery plans. That number continued to increase until 2013 when it reached 47 compliant manufacturers. Since then, manufacturer compliance has remained generally consistent (See figure 1). Fluctuations from 2013 to the present may be attributed to manufacturers closing, changing their scope of marketing, or merging with other entities.

DEQ has several registered manufacturers who are not required to register, by law, but chose to do so of their own accord and, therefore, are 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 sell, produce, or import 50 or fewer covered devices in the State of Oklahoma in a given year are not required to submit an annual report or annual fee. Still, many manufacturers maintain their take-back programs even after leaving Oklahoma’s program (see Figure 2).

Oklahoma increased recycling totals from 2009 to 2011, the first three years of the program. 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. In 2011, a total of 3,150,583 pounds were collected, the highest collection total of the program. The success can be attributed to increased awareness across the state including DEQ’s retailer visits, outreach to municipalities, and presentations at public events, schools, and universities. In the first two years, the majority of state programs across the United States saw similar or slightly declined totals; 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 20 new manufacturers participating in the program. In 2014, totals reached 2,672,595 pounds and remained similar in 2015 with the collection total at 2,693,022 pounds.
In 2016, there was a large decrease in collection by almost every major manufacturer with a collection total of 1,616,133 pounds. Another large decrease in collection weight occurred in 2017 with 784,982 pounds collected, Oklahoma’s lowest collected poundage since inception of the program (See Figure 3). The most likely 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. The large discrepancies in collection totals may also be attributed to manufacturer and recycler collection programs declining. Larger manufacturers have found ways to leave the program or have stopped collecting additional devices beyond requirements. For example, one collection option for manufacturers is to host a community event. In 2010 and 2011 there were multiple statewide events hosted by national manufacturers across Oklahoma; however, there were no manufacturer sponsored events in Oklahoma from 2012-2018 and collection totals began to decline (See Figure 3).

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, some manufacturers offer drop-off locations within the state as an alternative recovery option. Oklahoma communities may still collect electronic waste at their annual community collection events, supporting consumers with convenient and free collection efforts. In addition, several manufacturers contract with state and national certified recyclers to maintain their take-back programs. This provides more business, job, and collection opportunities for the State of Oklahoma.

**A Summary of 2018 Program Status**

There were 834,780 pounds collected in 2018, a slight increase from 2017. The past three years (2016-2018) of collection have been significantly lower than the previous seven years of collection. This may be attributed to smartphones and tablet computers recently replacing heavier household computers, such as laptops and desktops. According to the Pew Research Center\(^2\), the majority of U.S. adults have owned cellphones since the early 2000s, but the ownership of smartphones only recently reached 50% of U.S. adults in 2013. Today, 81% of cellphone users own a smartphone. It is becoming more common for consumers to rely on a smartphone for internet use, rather than owning a desktop or laptop computer. In 2013, 8% of U.S. adults used a smartphone as their main internet source, compared to 20% of “smartphone-only users” in 2018. Tablet computers are also becoming more common for consumers. The ownership of tablet computers jumped from 34% in 2014 to 52% in 2019. The decrease in pounds of covered devices collected (See Figure 3) aligns with the rising use of smartphones and tablet computers. These smaller and lighter devices are replacing the larger and heavier laptop and desktop computers. Devices are smaller, lighter, and more publicly available than they have previously been.

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https://www.pewinternet.org/fact-sheet/mobile/
It is likely that more individual electronic devices have been collected, but their weight does not compare to the heavier electronics of the past.

In the 2018 calendar year, two new manufacturers joined the program. Three manufacturers left the program because they no longer produce covered devices as described in the Act. However, one of these three manufacturers still offers a nationwide take-back program. In addition, multiple manufacturers that were delinquent in 2017 became compliant in 2018. Thus, 48 manufacturers are currently in compliance with the Act. This results in an increase of compliance from last year. Out of the 48 manufacturers, 40 are contracted with a third party recycler to manage their take-back programs.

No manufacturers hosted in-state collection events in 2018. Three manufacturers submitted evidence of minor manufacturer status resulting in 45 manufacturers categorized as major manufacturers. Currently, seven manufacturers are delinquent on annual reporting. DEQ is working to bring those manufacturers into compliance.

The DEQ made minor adjustments to the program in 2018 based on manufacturer and public inquiries. Adjustments included making the electronic waste webpage more user friendly and modifying the annual report guidance document. The updated website and guidance document will go into effect for the 2019 calendar year. Out of the public inquiries, all indicated interest in utilizing a drop-off location rather than a mail-back program. The DEQ will take this into consideration as the program progresses. All 2018 annual reports were due by March 1, 2019. DEQ contacted registered manufacturers in a variety of ways, including invoicing, email reminders, and phone calls.

**Conclusion**

While the anticipated volume of consumer electronics will likely increase and the life expectancy of a covered device will likely decrease, electronics waste streams will endure. This year marks the 10th year that the Oklahoma Computer Equipment Recovery Act has been in effect. The program saw its highest poundage of collection in 2011 when the program collected over 3,000,000 pounds of covered devices. The collection rate remained around 2,500,000 pounds until 2015. Between 2016 and 2018, collection dropped significantly, weighing in at 834,780 pounds in 2018. Survey results from the Pew Research Institute indicate a correlation between the ownership of newer and lighter devices and the drop in Oklahoma’s collection weight. Further, there have been no manufacturer-hosted collection events in Oklahoma since 2011; yet the public expressed significant interest in drop-off sites, rather than main-back options, in 2018. The DEQ is working to assemble collection events in the program’s future.

The number of compliant manufacturers has remained generally consistent since 2013 with each year consisting of 40-50 compliant manufacturers. Forty-eight manufacturers are currently in compliance, an increase from last year. The DEQ plans to make retailer visits and conduct outreach efforts in order to increase compliance, collection, and collection events.
Oklahoma currently has limited options for consumers, schools, and businesses that are searching for television and cathode ray tube television disposal options. With electronic waste being the fastest growing waste stream in the world\(^3\), many states have addressed these collection issues by expanding the scope of their electronic waste laws to include technology that was not previously addressed. As the program enters into its second decade, it would benefit Oklahoma to consider updating its current law to address collection of devices not covered under the law.

Oklahoma’s program continues to serve our citizens. While minor adjustments have been made in 2018, the DEQ will continue to evaluate how to improve recycling options. We are willing to work with legislative leaders and the public to identify areas where improvements could be made to further increase recycling options for our citizens.

The subsequent reporting figures include graphs of compliance (Figure 1), participation (Figure 2), and pounds collected (Figure 3) in Oklahoma for every year of collection. Also included is a national law comparison map (Figure 4), and a sample of the annual reporting guidance document (Figure 5).

Figure 1: The number of manufacturers that are in compliance for the given year. Compliance indicates maintaining a take-back program, submitting an annual report, and paying an annual fee while complying with the provisions of the Act.

Figure 2: The number of manufacturers participating in a take-back program since the Act was initiated, regardless of compliance with the Act. Some manufacturers maintain a take-back program even though they do not meet the provisions of the Act and so are not required to submit an annual report or pay an annual fee.
Figure 3: A comparison of total pounds of electronic devices collected per calendar year by complying manufacturers in Oklahoma since the program began in 2009.

Figure 4: A map from the National Center for Electronics Recycling depicting states that have state laws related to electronics (orange). Twenty-five states have enacted varying electronics recycling program legislation⁴.

Figure 5: A sample of the Annual Reporting Guidance Document created in 2012 and used through 2018.