

The Oklahoma Computer Equipment Recovery Act:

A Summary of the 2011 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.

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

*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.

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. Under the Act, consumers, retailers, manufacturers, and DEQ share responsibilities. 2011 marks the third calendar year the program has been in place and the third 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.

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. 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 the DEQ.

As previously described, no later than March 1 of each year, manufacturers must submit annual reports to the DEQ.

Manufacturers are divided into two categories: major and minor. A major manufacturer is defined as a manufacturer that sells more than 1,000 covered devices. A minor manufacturer is defined as a manufacturer that sells 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.

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 2011 calendar year, the DEQ conducted 25 inspections of retailers in seven 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 PSI 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 State Finance, previously known as the Oklahoma Department of Central Services. This Section 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. At the date of this report, there are now 45 manufacturers registered with the DEQ. The number

of manufacturers implementing recovery plans in Oklahoma is likely to increase with continuous 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. Another collection option for manufacturers is to host a community event. There were multiple electronics take back events held in the 2010 calendar year throughout several Oklahoma communities, including one large statewide event partnered by LG Electronics and Waste Management. This statewide event was so successful that the same partnership hosted the event again in the state of Oklahoma for the 2011 calendar year.

A Summary of 2011 Annual Reports

All 2011 annual reports were to be submitted to DEQ by March 1, 2012. Reminder letters were sent to all 45 registered manufacturers in advance of the deadline on January 3, 2012. 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 or to businesses only, or manufacture equipment not covered in the Act such as televisions, do not meet statutory requirements for reporting. Accordingly, all 34 of the manufacturers required by law to submit annual reports did so. All annual reports were received, and approved, by June 1, 2012.

Oklahoma continues to increase its recycling totals each calendar year. 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. Therefore, 2010 tripled the amount recovered in 2009. This success was mainly due to increased awareness efforts made across the state that included retailer visits, communication with multiple municipalities, presentations at public events, universities, and schools as well as hosting informational booths at various conferences. With continued efforts, 2011 brought a total of 3,150,583 pounds collected. The majority of programs across the United States typically see similar collections totals, or a decline in collection totals, from year two to year three; however Oklahoma remains one of the only states to see a continued increase in collection.

The subsequent page demonstrates a chart with individual manufacturer's annual reporting data along with a line graph on the following page displaying a comparison between recycling totals.

Figure 1: Individual Manufacturer Data for the 2011 Calendar Year

Manufacturer	Weight Collected
ACER	23,567
Apple Inc	281,660
AnythingIT/Fujitsu	0
ASUS	0
Barnes and Noble	0
BenQ America	0
Best Buy	678,311
CyberPower	0
Dell	729,439
GammaTech	0
General Dynamics	0
Hannspree	0
HP	345
IBM	10
Lenovo/AERCCR	0
LG	31,192
Medion/AERCCR	0
Motorola	0
MSI	0
NCR	0
NEC	500
Nokia	0
Office Depot	76,869
Panasonic	0
Planar	0
PLR Holdings	0
RIM	0
Samsung	928,665
Sony	400,000
Systemax	25
Toshiba	0
ViewSonic	0
Vizio	0
Wacom	0
TOTAL COLLECTED	3,150,583