Department of Environmental Quality

Memorandum

Date: Nov. 8, 2024

To: Environmental Quality Commission

From: Leah Feldon, Director

Subject: Agenda item J, Informational item: Oregon E-Cycles Rulemaking

Nov. 21-22, 2024, EQC meeting

Why this is important

The E-Cycles program first launched in 2009 and the Oregon Department of Environmental Quality is conducting rulemaking for the updated law which passed in 2023.

This program is important to update and maintain because it ensures proper collection and disposal of devices that can be hazardous to the environment, but also can be valuable for recycling. Electronic devices can contain substances such as lead, cadmium and mercury that can harm human health and the environment. They also contain valuable materials such as copper, gold and aluminum that can be recycled and used in new products. Additionally, using recycled materials consumes less energy than extracting and using virgin materials to make new products.

DEQ will inform the commission about the E-Cycles rulemaking at this November meeting to prepare for a request for EQC action in January 2025.

Prior EQC involvement

The EQC first adopted administrative rules for the current law in 2012.

Background

DEQ is conducting rulemaking for the updated E-Cycles law which passed in 2023 (House Bill 3220). Oregon E-Cycles is the statewide collection and recycling program for electronics. Since the original law passed in 2007, this program has collected over 300 million pounds of devices from the public, through approximately 175 public collection sites across the state. The current list of covered electronics includes computers, laptops, monitors, TVs, printers, mice and keyboards.

This program is an example of extended producer responsibility, where manufacturers share in the responsibility for the end-of-life management of their products and materials. Oregon E-Cycles is one of several producer responsibility programs in Oregon. In addition to E-Cycles, people in Oregon have access to programs for unwanted household medicines and for leftover architectural paint. In 2025, there will also be statewide programs for printed paper, packaging and food serviceware and for mattress recycling, in response to Senate Bill 582 in 2021 and Senate Bill 1576 in 2022.

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Under producer responsibility programs, the law sets standards that programs must meet, but gives producers flexibility to design systems and processes to meet those standards. DEQ's role is narrower than in a traditional government program – DEQ oversees the producer responsibility organizations to ensure they are meeting obligations and standards required by law.

Manufacturers of covered electronic devices designate and join a producer responsibility organization. This organization will develop and implement a program on behalf of manufacturers, to help them fulfill their obligations under the law. All covered manufacturers of electronics will pay fees to that organization to cover the costs of the program, including the costs of collection and processing of materials, and DEQ's administrative fee. Additionally, producer responsibility organizations submit a program plan to DEQ, describing how they will fulfill the requirements of the law, including how they will provide for collection, public education, transportation and processing, the program goals they will set and how they will achieve them. DEQ reviews and provides feedback on this plan before approving; this approved plan, along with statute and administrative rules, are what DEQ uses to ensure compliance with the program. The plan is updated, submitted and re-approved on a regular basis.

The DEQ Land Quality Division's Materials Management Program is providing this background information to familiarize the commission with the E-Cycles program, for which proposed rules will be presented for consideration in January 2025. In 2023 the Legislature passed HB 3220 to update the E-Cycles program that began nearly 15 years ago, to modernize and streamline procedures of the program. DEQ is undertaking rulemaking to clarify and implement this law. Program plans for the modernized E-Cycles program are due from producer responsibility organizations on July 1, 2025, and per statute, the program begins on Jan. 1, 2026.

Administrative rulemaking process

A rulemaking advisory committee was appointed in early 2024, composed of interested parties likely to be affected by the rules. DEQ shared rule concepts and gained feedback from both the committee and the public to help shape the concepts and draft rules. This occurred over the course of three advisory committee meetings held between February and July 2024. The public comment period for this rulemaking was Aug. 29, 2024, through Sept. 30, 2024. DEQ is currently reviewing comments submitted and updating draft rules as needed.

Key issues

Throughout the rulemaking process, both advisory committee members and other interested parties including the public gave substantive feedback on rule topics including:

• Fair financial compensation

The law requires a producer responsibility organization to provide fair financial compensation to collection sites to cover the costs of collecting, storing, managing and transporting covered electronic devices.

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DEQ drafted rules to clarify information a producer responsibility organization should include in a program plan. During the RAC process, DEQ received feedback regarding which specific costs should be compensated, how often a study should be conducted and what data should be included in the evaluation.

• Environmentally sound management practices

The law requires some standards for environmentally sound management practices. These practices would ensure that devices and materials are collected and processed with sound management practices, reducing environmental impacts and protecting health, safety and data privacy.

DEQ drafted rules to clarify the statute and to develop practices for collection sites. The rules include downstream tracking of devices and material through final disposition; prioritizing Oregon's waste hierarchy; ensuring compliance with all laws, treaties and regulations as applicable; using tracking devices to verify chain of custody and final disposition of materials; reporting; and continuous improvements of standards and procedures, as new practices or technologies emerge.

The topic of environmentally sound management practices generated substantial feedback throughout the rulemaking process, with some interested parties expressing concern about the more rigorous standards; others suggested they don't go far enough.

EQC DEQ intends to bring a rule proposal for commission action at the Jan. 9-10, 2025,

involvement EQC meeting.

Supporting A. <u>E-Cycles Rulemaking Webpage</u>
materials B. Oregon E-Cycles Law (HB 3220)

Report prepared by Rachel Harding Land Quality, Program Analyst

Translation or other formats

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