

E-Cycles Rulemaking Action Item D

Environmental Quality Commission

Materials Management Program
Land Quality Division

Thursday, Jan. 9, 2025

Overview for Today

- Producer Responsibility and E-Cycles Overview
- Rulemaking Process
- Draft Rules
- Fiscal Impact Statement
- Racial Equity Statement
- Proposed EQC Motion



DEQ's Materials Management Program

Materials Management in Oregon

2050 Vision and Framework for Action

Adopted by the
Environmental Quality Commission
December 6, 2012



The 2050 Vision:

Oregonians in 2050 produce and use materials responsibly
conserving resources • protecting the environment • living well

Producer Responsibility Programs in Oregon



Electronics
Recycling
Program
*Launched
in 2009*

Paint
Stewardship
Program
*Launched in
2010*



Printed paper, packaging
and food serviceware
Launching July 2025

Drug Take-Back Program
Launched in 2021



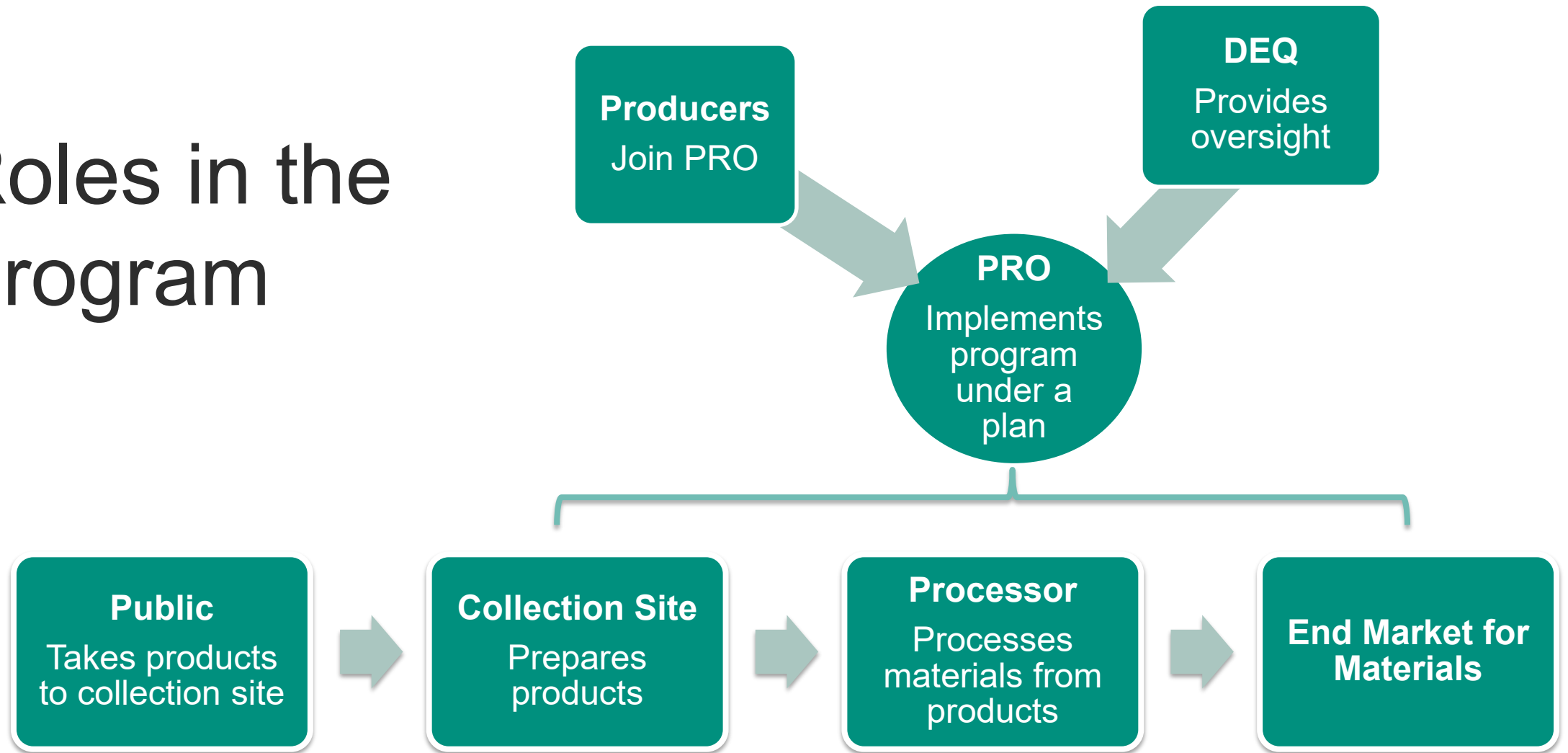
Mattress Recycling Program
Launched January 2025



Producer Responsibility in Oregon

- Producers are responsible for managing products they produce
- Statute sets standards, but offers flexibility
- DEQ's role is narrower than with typical government program
- Helps address problematic products in waste stream

Roles in the Program



E-Cycles Passed in 2007 to Address E-Waste

- Electronics have toxic constituents
- Without recycling, obtaining materials for production require extraction and mining
- No statewide system to collect and manage



Current E-Cycles (Launched 2009)

- Requires electronics manufacturers to provide responsible recycling for their devices
- Covers computers, monitors, TVs, printers, keyboards and mice
- Free to use, but program can charge for premium services
- Over 300 million pounds collected



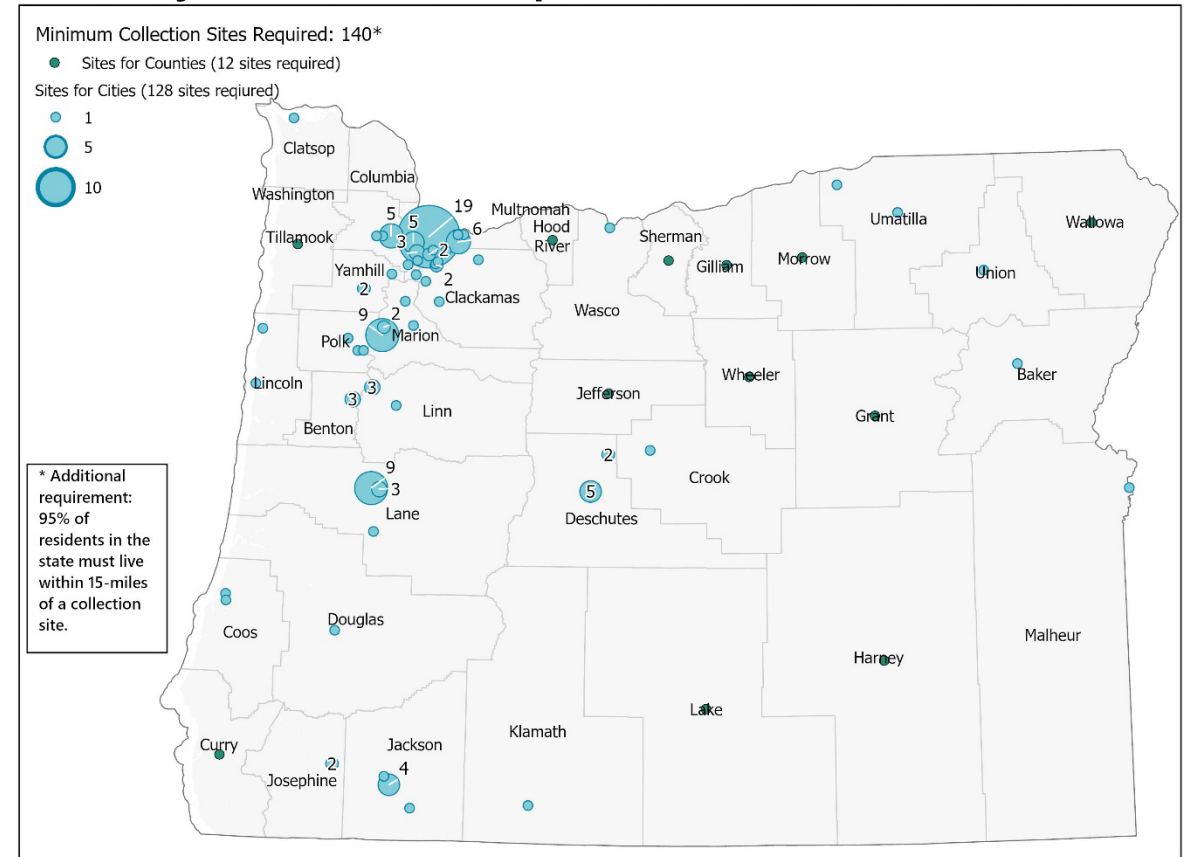
HB 3220 (2023): Expands What is Collected

Devices currently covered	Devices HB 3220 will add
Computers	VCRs
Monitors	Music Players
TVs	DVD Players
Printers	Gaming Consoles
Keyboard and Mice	Digital Converter Boxes
	Cable Receivers
	Satellite Receivers
	Routers
	Modems
	Scanners
	Additional Peripherals

HB 3220: Updates Convenience Standard

- Not tied to goals
- Requires sites for each county, additional sites for cities with 10,000+ population
- 95% residents statewide must be within 15 miles of a collection site

E-Cycles: HB 3220 Population Threshold Standard



December 2024

Oregon DEQ | Materials Management

E-Cycles Modernization: House Bill 3220 (2023)



People in Oregon

More devices accepted; more permanent sites required statewide



Collection Sites

Fair financial compensation required



Manufacturers and PROs

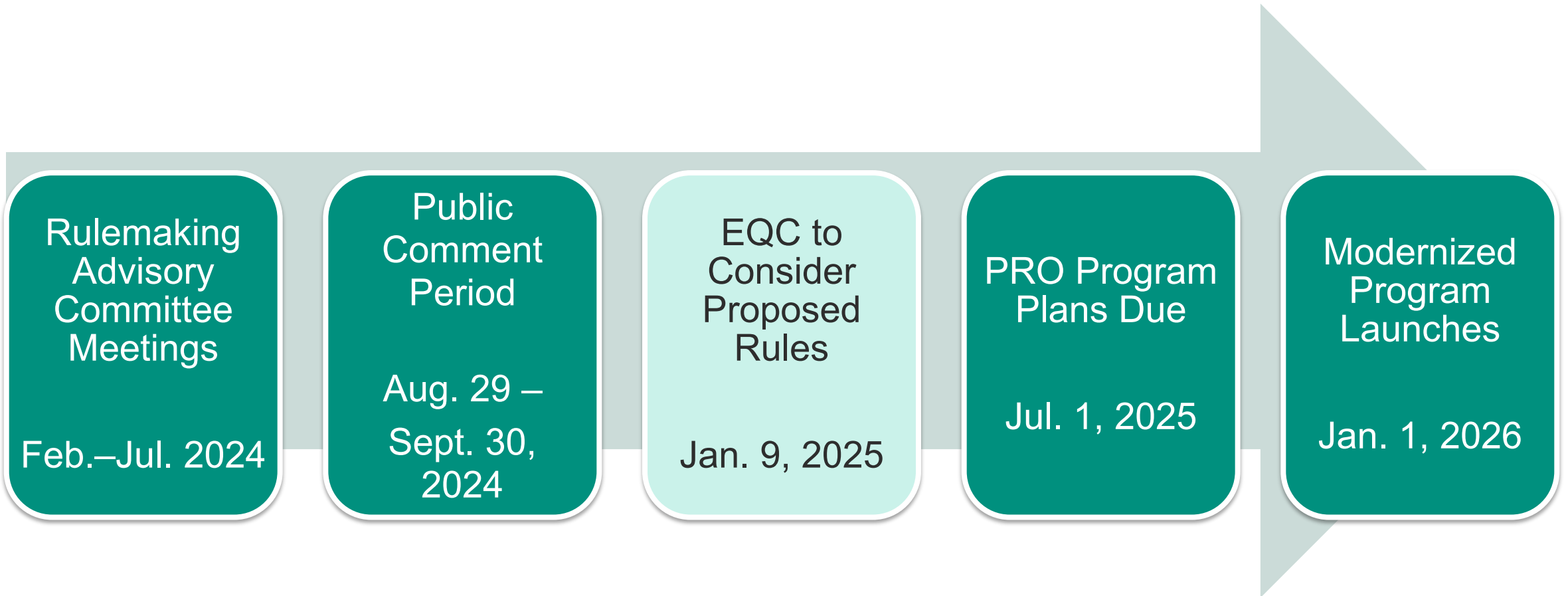
Implement plan and coordinate through a coordinating body



DEQ

Continue oversight, manufacturer registration, market share calculation

Rulemaking and Implementation Timeline



Rulemaking Advisory Committee

Name	Organization	Representing
Jim Puckett	Basel Action Network	environment
Walter Alcorn	Consumer Technology Association	manufacturers
Andrew Keough		the public
Zack Dahl	Dahl Disposal Service	collection sites, waste hauler
Denise Barnes	Rogue Disposal and Recycling	collection sites, waste hauler
Tim Brownell	Deschutes County	collection sites, local government
Sabrina Gogol	Metro	collection sites, local government
Daven Stetson	St. Vincent de Paul of Lane County	collection sites, non-profit
Durran Champie	Free Geek	collection sites, non-profit
Ray Zielke	Universal Recycling Technology	processors
Don Hennen	Dynamic Lifecycle Innovations	prospective PRO
Naomi Manahan	Reverse Logistics Group	prospective PRO
Tricia Conroy	Electronic Manufacturers Recycling Management Company, LLC	prospective PRO

Public Comments

- Public comment period held Aug. 29 – Sept. 30, 2024
- One virtual hearing held on Sept. 17, 2024
- In total, DEQ received 52 comments from 9 commenters

Comments related to:

- Enforcement
- Definitions
- Market share
- Fees
- Program plans and annual reports
- ESMPs
- Coordination
- Product categories

Summary of Proposed Rules

Affects OAR Chapter 340, Divisions 12 and 98

Topics addressed include:

- Compliance and enforcement
- Market share
- PRO fees
- Program plans
- Environmentally sound management practices
- Fair financial compensation
- Annual reports
- PRO coordination
- Product categories
- Manufacturer obligation calculation

Enforcement Procedures and Civil Penalties

OAR 340-012-0045 to OAR 340-012-0155

- Updates Division 12 enforcement rules to address violations of the Electronics Recycling Law

Administrative Clarifications

OAR 340-098-0000 to OAR 340-098-0200

- Amends rules to clarify applicability of existing rules and new rules
- Defines terms for E-Cycles, including examples of covered electronic devices

Market Share

OAR 340-098-0230

Clarifies DEQ's process for determining market share

- DEQ: preliminary market share determination
- Manufacturer: 30 days to request change
- DEQ: final market share determination

PRO Fees

HB 3220 requires the commission to establish fees reasonably calculated to cover DEQ's costs

OAR 340-098-0235

- Plan review fee: \$75,000
- Annual fee: \$315,000, split equally among PROs
 - DEQ may reduce annual fee in a given year
 - Payment is due June 1 of each year, beginning in 2026

Program Plans

PRO must submit a program plan annually to DEQ for approval

OAR 340-098-0240

- Describes plan submission process
- Clarifies what DEQ may require in a plan

Environmentally Sound Management Practices

Program must provide environmentally sound management practices

OAR 340-098-0245

- Clarifies requirements for environmentally sound management practices
- Allows DEQ to approve alternative environmentally sound management practices

Fair Financial Compensation

PRO must provide fair financial compensation to collection sites

OAR 340-098-0250

- Clarifies requirements around fair financial compensation
- Allows DEQ to conduct studies on compensation in 2028 and periodically thereafter

Annual Reports

PRO must submit annual report on program implementation

OAR 340-098-0255

- Sets default deadline for report submission
- Clarifies what DEQ may require in a report
- Clarifies that collection through premium services may count towards collection goal

Coordinating Body

HB 3220 requires a coordinating body if multiple PROs have approved plans

OAR 340-098-0260

- Clarifies process for designating a coordinating body
- Clarifies what DEQ may direct coordination on

Product Categories

HB 3220 requires the commission to establish product categories for sorting and for calculating market share

OAR 340-098-0265

- Clarifies product categories for covered electronic devices

Product Categories under OAR 340-098-0265

Category	1	2	3	4	5
Devices	<ul style="list-style-type: none"> Computers Small-scale servers 	<ul style="list-style-type: none"> Printers Scanners Fax machines 	<ul style="list-style-type: none"> Monitors TVs 	<ul style="list-style-type: none"> Portable digital music players DVD players DVD recorders VCRs Video game consoles Digital converter boxes Cable receivers Satellite receivers Routers Modems 	<ul style="list-style-type: none"> Peripherals

Manufacturer Obligation Calculation

HB 3220 requires a PRO or coordinating body to calculate manufacturer obligations

OAR 340-098-0270

- Clarifies how manufacturer obligations will be calculated, including for 2026

Fiscal Impacts of Rules

Summary:

- Likely an impact on multiple program participants (collection sites, transporters, processors and PROs).
- Manufacturers are responsible for program funding.

State Agencies - DEQ

- Annual fee and plan review fee reasonably calculated to cover DEQ's oversight costs.
- Other state agencies not anticipated to incur compliance costs.

Fiscal Impacts of Rules

Local Governments

- May experience some impacts if they are participating in the program as a collection site.
- Providing collection site service to residents may decrease costs associated with illegal dumping of covered devices.

Public

- DEQ does not anticipate any direct costs on the public.
- The public will likely see overall positive impacts from the modernized program.

Fiscal Impacts of Rules

Businesses

- **Collection sites** may experience impacts from proposed rules relating to product categories and environmentally sound management practices.
- **Transporters and processors** may be impacted by proposed rules related to environmentally sound management practices.
- **PROs** may likely experience impacts from most of the rules, as they are the entity responsible for developing and implementing a program.
- **Manufacturers** will likely see impacts from most of the proposed rules. Statute requires manufacturers of covered devices to fund the electronics producer responsibility program they choose to participate in.

Racial Equity Impacts of Rules

- Overall, the program and its proposed rules would likely have an overall benefit to community members, mainly through environmentally sound management practices.
- At this time, DEQ has not identified any specific actions or outcomes from these proposed rules that would substantially burden any person or community based on the racial demographics of that person or community.

Proposed Motion Language

“I move that the Environmental Quality Commission adopt the proposed rule amendments in Attachment A as part of Chapter 340 of the Oregon Administrative Rules.”

Title VI and Alternative Formats

DEQ does not discriminate on the basis of race, color, national origin, disability, age or sex in administration of its programs or activities.

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