

TECHNICAL BULLETIN

May 1, 2014

TO: Chief Administrative Officers
Solid Waste Directors

FROM: SCAC Staff

RE: Electronic Waste Recycling Changes
Act No. 129 of 2014 (R. 134, H. 3847)

This *Technical Bulletin* outlines changes to the South Carolina Manufacturer Responsibility and Consumer Convenience Information Technology Equipment Collection and Recovery Act of 2010. A landfill disposal ban remains in effect for computers, computer monitors, televisions, and printers generated from households until 2021. As a result, Act No. 129 provides a short-term plan for 2014 as well as a longer-term plan, beginning in 2015, intended to relieve counties of some of the costs associated with recycling these materials.

Act No. 129 requires computer monitor and television manufacturers to provide a recovery program, recycle their market share on an annual basis, and register with and annually report to the South Carolina Department of Health and Environmental Control (DHEC). DHEC is working on drafting regulations to conform to Act No. 129 and is hoping to issue these regulations in the fall.

Recovery Obligations in 2014

Section 48-60-20 sets the recovery obligations on a calendar year basis. The recovery obligations are different for the first program year, 2014, than for the remaining years of the legislation, which sunsets in 2021. Section 48-60-50 of the Act states that during the 2014 program year, each television manufacturer must recover their market share of 4.8 million pounds of covered television devices, and each computer monitor manufacturer must recover their market share of 720,000 pounds of covered computer monitors. Covered devices included only those computer monitors and televisions marketed and intended for use by a consumer. The market share for 2014 is based upon the total weight of televisions and computer monitors collected and recycled in South Carolina in 2013. DHEC notified manufacturers of their market share obligation on April 4, 2014. In order to fulfill their obligations, manufacturers may act on their own or participate with other manufacturers through representative organizations (RO), which are designed to jointly fulfill the recovery obligations listed above.

Recovery Obligations Beginning in 2015

Beginning in 2015, manufacturers may once again choose to fulfill their recovery obligation on their own or to join an RO. Any RO that may be formed must submit a plan to DHEC within 90 days of the start of the program year. The RO plan must provide for the recycling of all computer monitors and televisions collected by participating local governments specified in the plan based upon the proportionate membership that comprises the organization. DHEC is in the process of determining and defining what proportionate membership means.

Under Section 48-60-55(K)(1), a manufacturer that chooses not to participate in a RO must recycle eighty percent of the weight of computer monitors and televisions sold by the manufacturer in South Carolina during the previous program year. DHEC will provide the manufacturer with their recovery obligation by March 15 of each program year. Any manufacturer that fails to meet their recovery obligations must either pay a shortfall fee or account for the amount of the shortfall in the following program year. Manufacturers looking to meet this eighty percent recovery obligation may look to bypass local governments by collecting the computer monitors and televisions from Goodwill or other store sites to avoid this shortfall fee. Shortfall fees will be deposited in a dedicated account to be used for implementation of the program and to assist local governments in recycling covered devices.

Effect on County Operations

There are many questions regarding the implementation of Act No. 129 and the amount of money that it will save counties. Counties planning to renew contracts with their recycling vendors in 2014 need to be aware of the changes in 2015 that may affect the price they pay for disposal of the covered devices. Each county will need to review their current program and decide what best suits its individual needs. Each county should check with their recycling vendors to see which manufacturers the vendor may have relationships with and whether these manufacturers have elected to join a RO. This will allow each county to choose between maintaining their current operational arrangement or securing a new vendor arrangement backed by a manufacturer program. Counties also need to make sure that recycling vendors are not double-dipping by collecting money from the RO as well as the county.

Counties also need to be aware that if they elect to contract with a recycling vendor that has an agreement with a manufacturer that is a member of a RO, the county must make **all consumer electronics** available for pick up at no cost, even those items which have value. Section 48-60-140 requires that counties ensure that the material they collect is transferred to a recycling or reuse facility that is certified by a third-party accreditation program, such as the Responsible Recycling Practices (R2) or e-Stewards.

The Governor signed this legislation making it effective on March 14, 2014. Please consult your county attorney if you have specific questions about the application of these changes. Feel free to contact Owen McBride of SCAC at 1-800-922-6081 or omcbride@scac.sc with any questions.