

**Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.**

1 State of Arkansas  
2 83rd General Assembly  
3 Regular Session, 2001  
4

*As Engrossed: S3/14/01 S3/16/01 H3/28/01*

# A Bill

**Act 1410 of 2001**  
SENATE BILL 807

5 By: Senator K. Smith  
6 *By: Representative Altes*  
7

## For An Act To Be Entitled

10 AN ACT CONCERNING COMPUTER AND ELECTRONIC SOLID  
11 WASTE MANAGEMENT FOR THE STATE OF ARKANSAS; AND  
12 FOR OTHER PURPOSES.

### Subtitle

15 AN ACT CONCERNING COMPUTER AND  
16 ELECTRONIC SOLID WASTE MANAGEMENT.

18  
19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

20  
21 SECTION 1. Title.

22 This act shall be known and may be cited as "The Arkansas Computer and  
23 Electronic Solid Waste Management Act".

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25 SECTION 2. Findings and Purpose.

26 (a) The General Assembly finds that:

27 (1) Computer and electronic solid waste is among the fastest  
28 growing and most toxic segments of Arkansas' solid waste stream;

29 (2)(A) The state must frequently upgrade and replace computers,  
30 telecommunication devices, and other technologically sophisticated equipment  
31 necessary to the efficient operation of state government.

32 (B)(i) The necessary purchase of up to date computers,  
33 telecommunications devices, and other technological equipment for state  
34 government use often results in a surplus of existing equipment that, while  
35 unfit for state government purposes, is still useful and marketable for less  
36 complex and less high-speed dependent use.

1                   (ii) Surplus equipment is generally stored by the  
2 owner agency until the equipment is cleared of all government software and  
3 files.

4                   (iii) By the time surplus computer equipment is  
5 delivered to the Marketing and Redistribution Section of the Office of State  
6 Purchasing of the Department of Finance and Administration, it is generally  
7 technologically obsolete and has lost considerable value resulting in a  
8 significant waste of potential revenue to the State of Arkansas;

9                   (3) Computers and electronic equipment not sold by the Marketing  
10 and Redistribution Section of the Office of State Purchasing of the  
11 Department of Finance and Administration may be disposed of in state landfill  
12 space; and

13                   (4) There are disposal and recycling options other than landfill  
14 disposal to address this problem including:

15                           (A) Parts harvesting;

16                           (B) Reuse;

17                           (C) Resale;

18                           (D) Donation; and

19                           (E) Demanufacturing.

20                   (b) This act is intended to:

21                           (1) Achieve the maximum possible benefit from use of state  
22 agency owned computers, electronics, and peripherals;

23                           (2) Achieve maximum benefit from sale of surplus state agency  
24 assets; and

25                           (3) Protect the public health, safety, and the environment by  
26 mandating steps be taken to address the solid waste management of computers  
27 and other electronic solid waste statewide.

28  
29                   SECTION 3. Definitions.

30                   As used in this subchapter, unless the context otherwise requires:

31                           (1) "Agency" means every department, division, office, board,  
32 commission, and institution of this state, including state-supported  
33 institutions of higher education;

34                           (2) "Computer" means a programmable electronic machine that performs  
35 high-speed mathematical or logical operations or that assembles, stores,  
36 correlates, or otherwise processes information;

1 (3)(A) "Demanufacturing" means end of life disposition of electronic  
2 devices and computers;

3 (B) "Demanufacturing" includes recovery of hard drives and chips  
4 with resale value, the removal of commodities, such as copper, aluminum, and  
5 gold for sale to scrap consumers, the removal and hazardous waste disposal of  
6 toxins and heavy metals, and the shredding or melting of materials that can  
7 be sold and manufactured into new products;

8 (4) "Disposal" means the discharge, deposit, injection, dumping,  
9 spilling, leakage, placing or dumping of any computer or electronic waste  
10 into or on any land or water in whatever manner so that the waste or any  
11 constituent thereof might enter the environment or be emitted into the air or  
12 be discharged into the waters of the state, including groundwaters;

13 (5) "Electronics" means devices utilizing electrons and electric  
14 circuits including household appliances, televisions, recording and playing  
15 devices for music or video tapes, compact discs and digital technology;

16 (6) "Fund" means the Electronic Equipment Recycling Fund established  
17 by this act;

18 (7) "Recycle" means the use of previously manufactured materials  
19 including metals, glass, and plastics in the manufacture of new products;

20 (8) "Reuse" means use of electronics, computers, and equipment for  
21 harvesting of spare parts, resale or donation; and

22 (9) "Surplus computer equipment" means computer components no longer  
23 in use in an agency and which have residual market value.

24  
25 SECTION 4. Agency policy.

26 (a)(1) Each agency shall prepare and implement an agency wide policy  
27 for the management and sale of agency surplus computer equipment and  
28 electronics in accord with the Executive Chief Information Officer's policies  
29 for review and replacement of computer and electronic equipment.

30 (2) The policy shall mandate that all hard drives of surplus  
31 computer equipment be degaussed, cleared of all data, software, and be  
32 otherwise prepared for sale within ninety (90) days after replacement.

33 (3)(A) The policy may provide that computers and electronic  
34 equipment first be offered for sale to the primary agency user of the  
35 individual computer within thirty (30) days after degaussing of the hard  
36 drive.

1 (B) The policy may provide that computers be secondarily  
2 offered for sale to other agency employees forty-five (45) days after  
3 degaussing of the hard drive.

4 (4)(A) The policy shall allow each agency to keep a back stock  
5 of computer hardware and electronics for the purpose of parts harvesting for  
6 the repair, maintenance, and upgrade of computers in use.

7 (B) Back stock shall not exceed ten percent (10%) of the  
8 number of state employee computers in the agency.

9 (5) The policy shall include a provision that state employees  
10 purchasing state agency computers and electronic equipment accept the  
11 computer or equipment on an "as is" basis, without any warranty of any kind  
12 by the agency.

13 (b) Within sixty (60) days after the effective date of this act, the  
14 policy shall be presented to the Executive Chief Information Officer and  
15 Legislative Council for review.

16  
17 SECTION 5. Agency authority and accounting.

18 (a) Each agency shall apply the administrative procedures of the  
19 Marketing and Redistribution Section of the Office of State Procurement of  
20 the Department of Finance and Administration to the sale.

21 (b) Each agency shall prepare, within sixty (60) days after the  
22 effective date of this act, a plan to account for the sale of used equipment  
23 and present that plan for review to the Department of Finance and  
24 Administration, the Executive Chief Information Officer, and the Legislative  
25 Council.

26  
27 SECTION 6. Sale of surplus computer equipment and electronics.

28 (a) If an agency policy established under Section 4 of this act  
29 provides for the preferential sale of surplus computer and electronic  
30 equipment to agency employees, that computer and electronic equipment shall  
31 be sold at a price not less than ten percent (10%) above depreciated value as  
32 determined by the Department of Finance and Administration.

33 (b) If an agency policy established under Section 4 of this act  
34 provides for the preferential sale of surplus computer and electronic  
35 equipment to Arkansas public schools, that computer and electronic equipment  
36 shall be sold at a price not less than five percent (5%) above depreciated

1 value as determined by the Department of Finance and Administration.

2  
3 SECTION 7. Surplus equipment not sold.

4 (a)(1) Unsold surplus computer and electronic equipment may be donated  
5 by the owning agency to Arkansas public schools if the agency policy so  
6 provides.

7 (2) Arkansas public schools are not required to, but may choose  
8 to, accept unsold surplus computer and electronic equipment donated by the  
9 owning agency.

10 (b)(1) Unsold surplus computer equipment may be sent to the Marketing  
11 and Redistribution Section of the Office of State Procurement of the  
12 Department of Finance and Administration for sale, auction, recycling,  
13 donation, demanufacturing or disposal.

14 (2) Alternatively the agency may maintain possession of  
15 computers and electronics and allow the Marketing and Redistribution Section  
16 of the Office of State Procurement of the Department of Finance and  
17 Administration to sell or auction the computer or electronic equipment via an  
18 Internet web site.

19  
20 SECTION 8. Disbursement of revenues.

21 Funds generated from the sale of agency surplus computer and electronic  
22 equipment to state employees, public schools, or by other sale, shall be  
23 allocated as follows:

24 (1) If the sale of surplus computer or electronic equipment is made  
25 within the agency:

26 (A) Sixty percent (60%) of the proceeds shall be returned to the  
27 owning agency;

28 (B) Fifteen percent (15%) of the proceeds shall be deposited  
29 with the Marketing and Redistribution Section of the Office of State  
30 Procurement of the Department of Finance and Administration; and

31 (C) Twenty-five percent (25%) of the proceeds shall be deposited  
32 in the Computer and Electronic Recycling Fund established by this act;

33 (2) If the sale of surplus computer or electronic equipment is outside  
34 the agency and conducted by the Marketing and Redistribution Section of the  
35 Office of State Procurement of the Department of Finance and Administration:

36 (A) Fifty-percent (50%) of the proceeds shall be returned to the

1 owning agency;

2 (B) Twenty-five percent (25%) of the proceeds shall be deposited  
3 with the Marketing and Redistribution Section of the Office of State  
4 Procurement of the Department of Finance and Administration; and

5 (C) Twenty-five percent (25%) of the proceeds shall be deposited  
6 in the Computer and Electronic Recycling Fund established by this act.

7  
8 SECTION 9. Computer and Electronic Recycling Fund.

9 (a) There is established on the books of the Treasurer of State,  
10 Auditor of State, and Chief Fiscal Officer of the State, a fund to be known  
11 as the Computer and Electronic Recycling Fund.

12 (b) The Computer and Electronic Recycling Fund shall be administered  
13 by the Arkansas Department of Environmental Quality and may be used to:

14 (1) Promote market research and development grants to determine  
15 the most efficient means of collecting, transporting, and processing scrap  
16 electronic equipment;

17 (2) Work with the Department of Finance and Administration and  
18 the Marketing and Redistribution Section of the Office of State Procurement  
19 of the Department of Finance and Administration to establish statewide  
20 contracts for computer and electronics recycling and demanufacturing  
21 businesses;

22 (3) Support and fund other measures necessary to implement and  
23 promote the recycling, donation, demanufacturing or disposal options for  
24 computers and electronic equipment.

25  
26 SECTION 10. Computer and electronic equipment recycling grants.

27 (a) Electronic equipment recycling grants must be awarded on the basis  
28 of written grant request proposals submitted to and approved by the Arkansas  
29 Department of Environmental Quality.

30 (b) Grant requests shall be considered based upon the following  
31 criteria:

32 (1) The development of sustained processes for recovery,  
33 recycling, and demanufacturing of scrap computers and electronics;

34 (2) Minimization and elimination of substantial volumes of this  
35 material as waste;

36 (3) Creation of Arkansas jobs;

1           (4) Return of investment analysis; and

2           (5) Available funds.

3  
4           SECTION 11. Long Term Options.

5           (a) The Arkansas Department of Environmental Quality is directed to  
6 study the current and future solutions for long term disposal options for the  
7 entire state to include:

8           (1) Parts Harvesting;

9           (2) Reuse;

10          (3) Donation;

11          (4) Demanufacturing; and

12          (5) New and emerging technology solutions.

13          (b) This report is to be submitted to the Legislative Council for  
14 review upon completion.

15  
16          SECTION 12. Computer and electronic equipment landfill ban.

17          (a) The Arkansas Department of Environmental Quality may establish and  
18 implement rules and regulations banning the disposal of all computer and  
19 electronic equipment in Arkansas landfills.

20          (b) The target date for the ban to become effective is no sooner than  
21 January 1, 2005.

22  
23          SECTION 13. Arkansas Code 25-8-106(b)(2), concerning marketing and  
24 redistribution of state personal property, is amended to read as follows:

25                 (2)(A) All state agencies, boards, commissions, departments, and  
26 county, municipal, or other tax-supported institutions colleges and  
27 universities are ~~authorized~~ required, and county, municipal or other tax  
28 supported institutions are authorized to utilize the services of the  
29 Marketing and Redistribution Section of the Office of State Procurement of  
30 the Department of Finance and Administration unless specifically exempted in  
31 writing by the Director of the Office of State Procurement.

32                         (B)(i) Nothing in this section shall be construed to make  
33 it mandatory that county, municipal, or other local government units utilize  
34 the services of the Marketing and Redistribution Section.

35                                 (ii) Nothing in this section shall be construed to  
36 make it mandatory that any agency, department, division, office, board,

1 commission, or institution of this state, including state-supported  
2 institutions of higher education, utilize the services of the Marketing and  
3 Redistribution Section in the sale of surplus computer equipment and  
4 electronics to state agency employees for a price not less than ten percent  
5 (10%) above depreciated value.

6 /s/ K. Smith

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9 APPROVED: 4/9/2001  
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