PRODUCT STEWARDSHIP INSTITUTE
Sustainable Solutions to Protect Our Environment

May 14, 2009

Testimony in Support of House Bill No. 726 "An Act Relative to Producer Responsibility for Mercury-Added Lamps"

Dear Senator Petruccelli, Representative Straus, and members of the Joint Environment, Natural Resources, and Agriculture Committee:

The Product Stewardship Institute (PSI) encourages you to support **House Bill No. 726 "An Act Relative to Producer Responsibility for Mercury-Added Lamps"** to create a recycling program for residential mercury-containing lamps, such as compact fluorescent lights (CFLs) and linear tubes. Mercury pollution from fluorescent lamps is a serious problem that requires decisive action. We support our state and local government members in their efforts to devise and implement sustainable solutions to environmental problems within their jurisdiction, and appreciate the Committee's efforts.

Why does Massachusetts need another law on fluorescent lamps?

We commend Massachusetts for the critical steps that the Legislature has already taken to minimize the release of mercury from consumer products by banning the disposal of fluorescent lamps in solid waste landfills and incinerators, and requiring municipal waste combustors to collect mercury products. Furthermore, Massachusetts has already recognized the need to involve product manufacturers in reducing the impacts of their products by requiring the fluorescent lamp manufacturers to promote recycling through an education program and calculate a statewide recycling rate for fluorescent lamps.

It is important to measure the performance of product stewardship programs, and recycling rates are a key means of doing this. In order to be effective, rates must be calculated based on an agreed upon methodology and with data in which all parties can have confidence. *We ask the Committee to consider including a requirement that data used in calculating recycling rates be verified by an independent third party.*

PSI supports the aggressive recycling rates for household fluorescent lamps required in HB 726. In 2004, the Association for Lighting and Mercury Recyclers (ALMR) estimated that approximately 30% of commercial/facility fluorescent lamps and 2% of residential lamps were being recycled. According to the data compiled by the National Electrical Manufacturers Association (NEMA), 45% of fluorescent lamps disposed of in Massachusetts in 2008 were recycled. Fast-growing use of fluorescent lamps in this sector has been driven by energy efficiency concerns, and in order to maximize the environmental benefits of the compact fluorescent lamps (CFLs), the efforts to collect and recycle them must move equally quickly.

By comparing the two sets of numbers above, we can assume that most of the 45% of lamps recycled in Massachusetts were from commercial, industrial, or academic uses. This leaves much work to be done in the residential sector, which will require a focused effort to develop a collection and recycling infrastructure and provide recycling services without an end-of-life fee to consumers. *HB 726 would establish a much-needed infrastructure that is convenient to consumers and does not rely on municipal funding.*

Aren't the fluorescent lamp manufacturers already doing enough?

Lighting manufacturers have created a product that provides the lighting we all use in our homes and around our communities more efficiently than incandescent bulbs. They have also made great strides over the past two decades in improving lamp performance and reducing the amount of mercury used in each lamp. Furthermore, we commend ongoing efforts to develop the next generation of energy efficient, mercury-free lighting. However, all of this does not change the fact that fluorescent lamps contain small amounts of mercury which should be diverted from the waste stream by collecting and recycling lamps when they are no longer needed.

Won't producer responsibility increase the price of CFLs, discouraging demand?

Lamp manufacturers, energy efficiency advocates, and a few environmental groups have expressed concern that placing the responsibility on manufacturers to recycle the lamps they sell will raise the price of CFLs to such a degree that consumers will not purchase them, thus losing their energy efficiency benefits. However, there is no evidence that such a result will take place in the context of this product. Manufacturers pay for fluorescent lamp recycling in Europe under the Waste Electrical and Electronic Equipment Directive (WEEE) and we are not aware of any evidence that the demand for CFLs has decreased as a result. Manufacturers will soon be responsible for recycling fluorescent lamps in several Canadian provinces as well, where, like the U.S., CFLs are being heavily promoted and efficiency standards will effectively phase out the use of less efficient lighting options in 2012. CFLs have been actively promoted by government at all levels in the U.S., including using ratepayer funds to bring down the cost of this product to increase its sale to consumers.

What is happening in the "national conversation" on this issue?

In 2008, PSI convened three national stakeholder meetings, called the "National Dialogue on Fluorescent Lighting," that included local, state, and federal government officials; the Association for Lighting and Mercury Recyclers (ALMR) and individual recycling companies; fluorescent lamp manufacturers and the National Electrical Manufacturers Association (NEMA); electric utilities and energy efficiency advocates; state and national retail associations; and environmental organizations. The following project goal was agreed to by consensus during PSI's National Dialogue on Fluorescent Lighting: *"…to promote the use of energy efficient lighting while eliminating or reducing the amount of mercury and other toxins entering the environment during the lifecycle of fluorescent lamps."*

Participants in this multi-stakeholder dialogue agreed that fluorescent lamps should be promoted for their energy efficiency benefits (until a viable, less toxic alternative exists) and should be recycled instead of disposed of in landfills and incinerators. As Massachusetts has already recognized by banning the disposal of lamps, disposing of fluorescent lamps in the trash causes the release of mercury to the environment. Recycling mercury-containing lamps costs money, and the group agreed on the following with regard to financing fluorescent lamp recycling:

(1) *Household Lamp Recycling:* There should be some type of financing system developed that allows consumers to recycle their lamps without an end-of-life fee. State and local governments should not manage or pay for this system. Consumer lamp recycling should also be promoted by the passage and enforcement of disposal bans/recycling requirements, but only when convenient recycling opportunities are available.

(2) *Commercial Lamp Recycling:* There is already a financing system and infrastructure in place for lamp recycling in the commercial sector in the form of contractual relationships between those operating buildings with many lamps and recyclers or lighting service providers.

While there are different points of view about who should pay for the convenient recycling system for consumers, it became clear to PSI at our last meeting that a system relying on funding from utilities and retailers was piecemeal at best. From our perspective, the only viable system that emerged from our three stakeholder meetings was based on cost internalization, which is the basis for HB 726. While this type of system might not be the only viable one, no other system was offered that had the potential for simplicity and sustainability that is exhibited in HB 726.

What is product stewardship?

HB 726 is fully aligned with the mission of our organization, and the basic approach we take to finance the recycling of difficult-to-manage wastes. In 2001, PSI adopted its *Principles of Product Stewardship*, which was developed by PSI's founding state and local government members. All 45 PSI member states currently support these *Principles*, which specify, among other things, that product manufacturers have the greatest ability and responsibility to reduce the lifecycle impacts of their products. When companies do *not* do so, they pass on an "unfunded mandate" to government and taxpayers to take care of their products at the end of their useful life. The "product stewardship" way of doing business -- internalizing the cost of safely managing products throughout their lifecycle -- is taking hold across the country. The number of laws requiring manufacturers to take this responsibility has tripled in the past three years, with another 30 bills under consideration across the country in the current state legislative sessions. State legislation in the U.S. follows on similar laws in Europe, Canada, and other countries.

Who is PSI?

PSI is a national non-profit organization with membership from 45 state governments, over 100 local agencies, and over 50 businesses, environmental groups, and other organizations that have pledged to work together to reduce the health and environmental impacts from consumer products. These stakeholders work cooperatively, through PSI, to develop and implement "product stewardship" solutions that share responsibility for safely managing consumer products across their entire life cycle, from design to reuse, recycling, or disposal. In 2000, the Massachusetts Executive Office of Environmental Affairs provided seed funding to launch PSI at the University of Massachusetts-Lowell. The state has been an active member through the Department of Environmental Protection and Department of Public Health over the past nine years.

C**onclusion**

From our perspective, *the only viable system that emerged from our three stakeholder meetings was based on internalizing the cost of recycling into the product cost*, which is the basis for HB 726. While there may be other options, no other system was offered that had the potential to start solving the problem immediately and be sustainable. PSI believes it is time for states to implement a product stewardship system for household fluorescent lamps, as mandated by HB 726.

PSI thanks the Committee for spending the time necessary to understand this complex environmental issue, and for taking action toward eliminating mercury emissions.

Sincerely,

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