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February 11, 2009

**Representative David Deen, Chairman  
Committee on Fish, Wildlife and Water Resources  
Vermont State House  
115 State Street  
Montpelier, VT 05633-5301**

**For H.94 – An Act Relating to the Collection and Recycling of Mercury-added Lamps**

Thank you for the opportunity to submit testimony in support of H.94. The Product Stewardship Institute, Inc. (PSI) submits this testimony in support of legislation mandating a product stewardship solution to the problem of mercury release from fluorescent lamp disposal.

PSI is a national non-profit organization with membership from 45 state governments, 63 local agencies, and over 40 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.

We support our state and local government members in their efforts to devise and implement sustainable solutions to environmental problems within their jurisdiction. We recognize the value of state solutions as being the laboratories for testing new and innovative approaches.

This bill is fully aligned with the mission of our organization, and the basic approach we take to finance the recycling of other difficult-to-manage wastes. By requiring manufacturers to internalize the cost of recycling their products, it provides a direct financial incentive for them to design better products that cost less to manage when they become wastes. These systems also save money for local governments by relieving them of the financial responsibility to pay for the collection and recycling of lamps.

## **PSI National Dialogue on Fluorescent Lighting**

Over the past two years, PSI has worked with over 200 stakeholders, including those from government, manufacturers, retailers, and environmental groups "...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." This overall project goal was agreed to by consensus during PSI's National Dialogue on Fluorescent Lighting. Participants also agreed to the following specific goal: "maximizing the safe collection and recycling of spent lamps from households and businesses through the development of a nationally-coordinated system that is financially sustainable."

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. While we did not reach consensus on who should ultimately pay for a sustainable collection and recycling system for household fluorescent lamps, the group did agree on the following:

- (1) **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 "large" consumers and recyclers or lighting service providers. Commercial lamp recycling should be promoted by the passage and enforcement of disposal bans/recycling requirements.
- (2) **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. Household lamp recycling should also be promoted by the passage and enforcement of disposal bans/recycling requirements, but only when convenient recycling opportunities are available.

There are different points of view about who should pay for the convenient recycling system for consumers, including the relative contributions of utilities, manufacturers, or retailers. At our last meeting in November 2008, it became clear to PSI that a system relying on funding from utilities and retailers was piecemeal at best, and that from our perspective the only viable system that emerged from our three stakeholder meetings was based on cost internalization, which is the basis for H. 94. 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 H. 94.

PSI believes that consumers will not be deterred from purchasing energy-efficient, cost-saving fluorescent lights even if the purchase price reflects the small increase to manage them properly. Even so, this bill would allow product manufacturers flexibility in deciding whether to increase the price of fluorescent lamps, or to recover their costs from another product line. There has been no evidence presented in our dialogue to support the argument that it is inevitable that lamp manufacturers must raise their prices and that this increased cost will significantly reduce consumer demand for their product.

## **PSI Multi-Stakeholder Dialogue Process**

For PSI's National Dialogue on Fluorescent Lighting, we developed a briefing document based on over 25 interviews of stakeholders from all relevant sectors. In 2008, we convened three national stakeholder meetings that included local, state, and federal government officials; the Association for Lighting and Mercury Recyclers 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. Vermont participants included the Department of Environmental Conservation, Efficiency Vermont, Chittenden Solid Waste District, and the Mercury Policy Project.

PSI's stakeholder process included presentations and discussion about the mercury content of lamps, voluntary retailer collection programs, lamp breakage and the impact on human health, the promotion of new disposal bans/recycling requirements, and the enforcement of existing regulations pertaining to the handling and disposal of mercury-containing lamps. During the meetings, participants also considered a wide range of potential product stewardship financing systems applicable to lamps.

PSI's *Action Plan on Fluorescent Lighting Product Stewardship* is available at <http://www.productstewardship.us/FluorescentLightingProject>. PSI meeting documents, including participant lists, agendas, and summaries are also available online:

Meeting #1 <http://www.productstewardship.us/FluorescentLightMeetingSaltLakeUT>

Meeting #2 <http://www.productstewardship.us/FluorescentLightMeetingSeattleWA>

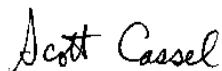
Meeting #3 <http://www.productstewardship.us/FluorescentLightMeetingSeattleWA2>.

### **In Summary**

PSI believes it is time for a state to test implementation of a product stewardship system, as mandated by H 94, for household fluorescent lamps. While we are encouraged by the voluntary efforts of some national and local retailers and electric utilities/energy efficiency program administrators to implement and pay for recycling solutions, we find that it is time for a sustainable product stewardship solution to be tested for this product, and believe that the producer-financing model is the most viable to be tested.

Let me again express PSI's appreciation to the Committee for spending the time necessary to understand this complex environmental issue, and to take action toward eliminating mercury emissions.

Sincerely,



Scott Cassel  
Executive Director