## SENATE RULES COMMITTEE

Office of Senate Floor Analyses

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### THIRD READING

Bill No: AB 732 Author: Quirk (D)

Amended: 8/10/22 in Senate

Vote: 21

SENATE ENVIRONMENTAL QUALITY COMMITTEE: 6-0, 6/1/22

AYES: Wieckowski, Bates, Cortese, Dahle, Gonzalez, Skinner

NO VOTE RECORDED: Stern

SENATE APPROPRIATIONS COMMITTEE: Senate Rule 28.8

ASSEMBLY FLOOR: 66-0, 1/18/22 (Consent) - See last page for vote

**SUBJECT:** Mercury Thermostat Collection Act of 2021

**SOURCE:** Author

**DIGEST:** This bill makes changes to the Mercury Thermostat Collection Act of 2021 and makes additional technical and conforming changes.

Senate Floor Amendments of 8/10/22 remove a chaptering conflict with AB 2481 (Smith), by removing the code section related to registered hazardous waste transporters that conflicts with that bill.

**ANALYSIS:** Existing law enacts the Mercury Thermostat Collection Act (Act) of 2021, which:

1) Requires, until January 1, 2030, each manufacturer of mercury-added thermostats, or group of manufacturers, on or before March 1, 2022, to contract with or retain a qualified third party to develop and implement a convenient, cost effective, and efficient program for the collection, transportation, recycling, and disposal of out-of-service mercury-added thermostats.

- 2) Requires, on or before June 1, 2022, the qualified third party, as defined, to provide to the Department of Toxic Substances Control (DTSC) for review and approval the plan to carry out the program.
- 3) Requires each manufacturer, or group of manufacturers, on or before March 30, 2022, and on or before March 30 of each year thereafter until March 30, 2028, to pay to DTSC an aggregate total of \$400,000, as provided, which shall not exceed the department's actual and reasonable regulatory costs to administer, implement, and enforce the act.
- 4) Subjects the thermostats of a manufacturer that fails to have a plan submitted by the qualified third party approved by the department, or fails to make a payment required pursuant to the act, to a sales ban, as provided.
- 5) Requires DTSC to determine whether a manufacturer, or group of manufacturers, has made a good faith effort, as defined, to comply with the Act.
- 6) Requires each manufacturer, or group of manufacturers, on and after July 1, 2022, to provide collection bins for out-of-service mercury-added thermostats to, among other persons, a wholesaler in the state that sells thermostats and requests a collection bin. (Health and Safety Code § 25214.8.10 et. seq.)

### This bill:

- 1) Deletes the requirement that DTSC determine whether a manufacturer, or group of manufacturers, has made a good faith effort to comply with the Act.
- 2) Requires each manufacturer, or group of manufacturers, to automatically provide collection bins for out-of-service mercury-added thermostats to a thermostat wholesaler in the state by eliminating the requirement that the wholesaler request a collection bin.
- 3) Makes other technical and nonsubstantive changes to the Act.

# **Background**

Mercury Thermostat Collection Act. In 2006, thermostats containing a mercury switch were banned in California because of the toxicity of mercury and the development of alternative thermostat technologies. In 2008, the Legislature enacted California's Mercury Thermostat Collection Act of 2008 (AB 2347 Ruskin, Chapter 572, Statutes of 2008) to require manufacturers to establish a collection and recycling program for out-of-service mercury-added thermostats. To address the under performance of the program, in 2021, AB 707 (Quirk, Chapter 703,

Statutes of 2021) made significant updates to the to the program for mercury thermostat collection to, including:

- 1) Requiring thermostat manufacturers to fully fund DTSC's regulatory costs;
- 2) Requiring thermostat manufacturers to fully fund all program costs to collect, transport, and recycle mercury thermostats;
- 3) Requiring thermostat manufacturers to provide no less than \$9.1 million over the seven-year program for a robust education and outreach campaign;
- 4) Requiring thermostat manufacturers to contract with a qualified third party that meets specified criteria to implement the program statewide;
- 5) Requiring DTSC to review and approve the plan for the program;
- 6) Requiring the provision of \$30 incentives to consumers to turn in mercury thermostats for recycling;
- 7) Requiring collection locations to be convenient and accessible statewide, including in rural, disadvantaged, and low-income communities; and,
- 8) Requiring DTSC to report to the Legislature on the efficacy of the program before it sunsets in 2029.

AB 732 deletes the requirement that DTSC determine whether a manufacturer, or group of manufactures has made a good faith effort to comply with the Act, but would continue to subject the thermostats of a manufacturer that fails to obtain DTSC approval of the plan or make required payment to a sales ban. This bill also requires manufactures to automatically provide collection bins for out-of-service mercury-added thermostats to a thermostat wholesaler in the state rather than requiring that the wholesaler request a collection bin.

#### **Comments**

Purpose of Bill. According to the author, "After the passage of AB 707 (Quirk, Chapter 703, Statutes of 2021) Mercury Thermostat Collection Act of 2021, stakeholders discovered several technical issues that needed to be addressed. AB 732 makes technical changes to the HWCL to address the issues found from recent legislation."

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

**SUPPORT:** (Verified 8/10/22)

None received

**OPPOSITION:** (Verified 8/10/22)

None received

ASSEMBLY FLOOR: 66-0, 1/18/22

AYES: Aguiar-Curry, Arambula, Bauer-Kahan, Bennett, Berman, Bigelow, Bloom, Boerner Horvath, Mia Bonta, Bryan, Burke, Calderon, Cervantes, Cooley, Cunningham, Megan Dahle, Daly, Davies, Flora, Fong, Gabriel, Gallagher, Cristina Garcia, Gipson, Gray, Grayson, Irwin, Jones-Sawyer, Kalra, Kiley, Lackey, Lee, Levine, Low, Maienschein, Mathis, McCarty, Medina, Mullin, Muratsuchi, Nazarian, Nguyen, O'Donnell, Patterson, Petrie-Norris, Quirk, Quirk-Silva, Ramos, Luz Rivas, Robert Rivas, Rodriguez, Blanca Rubio, Salas, Santiago, Seyarto, Smith, Stone, Ting, Valladares, Villapudua, Waldron, Ward, Akilah Weber, Wicks, Wood, Rendon

NO VOTE RECORDED: Carrillo, Chen, Choi, Cooper, Friedman, Eduardo Garcia, Holden, Mayes, Reyes, Voepel

Prepared by: Gabrielle Meindl / E.Q. / (916) 651-4108 8/13/22 9:43:41

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