



## PSI FACT-SHEET: PRODUCT STEWARDSHIP FINANCING MODELS MAINE MERCURY THERMOSTAT STEWARDSHIP LAW

<b>Scope:</b>	Mercury-containing thermostats
<b>Status:</b>	Signed into law by Governor John Baldacci on April 14, 2006.
<b>Type of Program:</b>	Product take-back– cost internalization, financial incentive

### Overview

On February 7, 2006, the Maine Department of Environmental Protection (ME DEP) proposed a revision to LD 1792, which previously had been a straight bounty bill. ME DEP's revision was developed through a consensus, mediated by the Product Stewardship Institute, among Honeywell, White Rodgers, Natural Resources Council of Maine, Environmental Health Strategy Center, and ME DEP. The new law requires all manufacturers of mercury-containing thermostats to be responsible for the collection and recycling of their mercury thermostats. Currently, only the three members of the Thermostat Recycling Corporation (TRC) participate in a voluntary industry take-back program. The new law will also require manufacturers to pay a \$5 minimum financial incentive payment for each mercury thermostat returned. The ME DEP is tasked with developing a two-phased plan, through a stakeholder process, that specifies the incentive to be paid to contractors and service technicians (by January 1, 2007) and homeowners (by August 1, 2007). These plans should encourage the purchase of non-mercury Energy Star qualified thermostats as replacements. Retailers are prohibited from selling ANY thermostats from non-compliant manufacturers. The law contains an annual performance goal of recapturing 125 pounds of mercury per year within two years after Phase 1 begins (based on an average of 4 grams of mercury per thermostat) – equaling a goal of removing 70% of all mercury thermostats from buildings in Maine. There is a second annual goal of 160 pounds of mercury per year within three years after Phase 2 begins – equaling a goal of removing 90% of all mercury thermostats. DEP's annual report to the Legislature will include a re-evaluation of these goals. The law will complement a law already in effect as of January 1, 2006, that prohibits the sale of mercury-added thermostats in Maine, and another that bans wholesalers from selling any thermostat unless they collect mercury thermostats.

### Impacts

- Currently, only the three members of the Thermostat Recycling Corporation participate in a voluntary industry take-back program. The new bill will require ALL manufacturers of mercury-containing thermostats to be responsible for the collection and recycling of their mercury thermostats.
- This law will be the first of its kind nationally to require manufacturers to pay a financial incentive for each mercury thermostat returned.
- The law will ban the sale of ANY thermostats from non-compliant manufacturers and hold retailers and manufacturers responsible.

### Challenges

- Need to develop financial incentive plans with stakeholder group.

### How It Works

Entity	Product Stewardship	Financing/ Payment
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### Product Stewardship

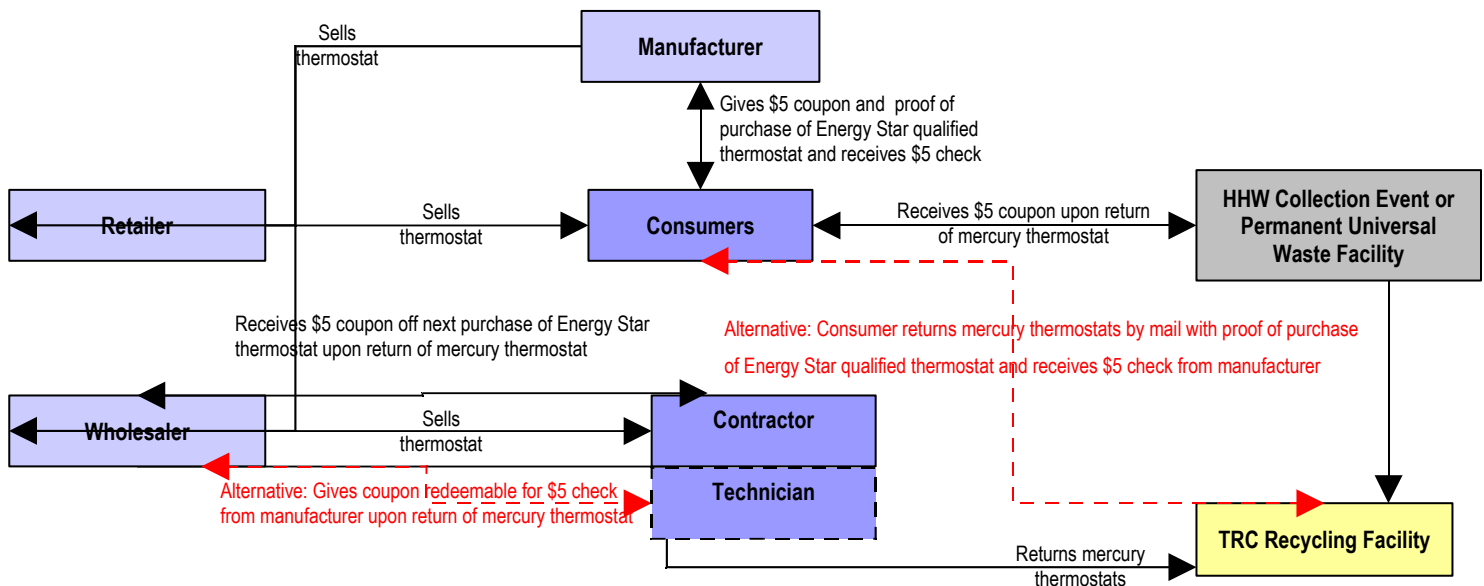
Product stewardship efforts aim to encourage manufacturers and retailers to take increasing responsibility to reduce the life-cycle impacts of a product and its packaging – energy and materials consumption, air and water emissions, the amount of toxics in the product, worker safety, and waste disposal – in product design and in the end-of-life management of the products they produce.

### PSI

The Product Stewardship Institute (PSI) is a national non-profit membership-based organization that works with state and local government agencies, manufacturers, retailers, environmental groups, federal agencies, and other key stakeholders to reduce the health and environmental impacts of consumer products. PSI takes a unique product stewardship approach to solving waste management problems by encouraging product design changes and mediating stakeholder dialogues.

<b>Homeowner</b>	Returns mercury thermostats for recycling.	Receives \$5 for each returned mercury thermostat. Subject to stakeholder process, might receive a rebate coupon redeemable for cash when sending proof of purchase of an Energy Star qualified thermostat.
<b>Contractor</b>	Returns mercury thermostat for recycling.	Receives \$5 for each returned mercury thermostat. Subject to stakeholder process, might receive a rebate off the purchase of an Energy Star qualified thermostat, and/or a cash bounty targeted to technicians.
<b>Retailer</b>	Prohibited from selling thermostats of any kind from non-compliant manufacturers.	
<b>Manufacturer</b>	Establishes and maintains a collection and recycling program for its own mercury thermostats. Can meet obligation individually or collectively (e.g., as part of TRC). Ensures that bins are made available for mercury thermostat collection at HVAC, plumbing, and electrical wholesalers, and at contractor locations, household hazardous waste (HHW) collection events, and Universal Waste permanent collection sites. Reports annually to the ME DEP.	Pays a \$5 minimum financial incentive payment for each mercury thermostat returned to a DEP approved collection site.
<b>ME Department of Environmental Protection</b>	Manages stakeholder group to develop two-phase manufacturer financial incentive plan for contractors/service technicians and homeowners. Reports annually to the joint standing committee on natural resources. Approves collection sites. Enforces against non-compliant manufacturers and retailers.	
<b>Municipality</b>	Manages Universal Waste collection sites and holds annual HHW collection events. Provides data to ME DEP for program evaluation.	

### Example of Product Stewardship Pathways – Pending Stakeholder Process



## Next Steps

- The two incentive plans will be implemented three months after each of the DEP plans is final (on or before January 1, 2007 for contractors and technicians and on or before August 1, 2007 for homeowners).
- The law sets a goal of collecting and recycling at least 125 pounds of mercury per year from mercury-added thermostats by January 1, 2009 and 160 pounds by January 1, 2010.

## Additional Information

Bill Text (LD 1792: An Act to Protect ME Families and the Environment by Improving the Collection and Recycling of Mercury Thermostats)  
<http://janus.state.me.us/legis/LawMakerWeb/externalsiteframe.asp?ID=280019944&LD=1792&Type=4&SessionID=6>

## Similar Initiatives

- King County, Washington Mercury Thermostat Pilot Program

## Contact Information

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