13:1E-99.82

LEGISLATIVE HISTORY CHECKLIST

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	LAWS OF:	2005	CHAPTER:	54
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- NJSA: 13:1E-99.82 (Establishes program for removal of mercury switches from end-of-life vehicles)
- BILL NO: A2482 (Substituted for S1292)

SPONSOR(S): Burzichelli and others

- DATE INTRODUCED: March 11, 2004
- COMMITTEE: ASSEMBLY: Environment and Solid Waste; Appropriations Environment; Budget and Appropriations SENATE:

AMENDED DURING PASSAGE: Yes

DATE OF PASSAGE: ASSEMBLY: October 25, 2004

> February 14, 2005 SENATE:

DATE OF APPROVAL: March 24, 2005

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL 1st reprint enacted

/ _ ! • =	SPONSOR'S STATEMENT: (Begins on page	e 10 of original bill)	Ye	<u>98</u>
	COMMITTEE STATEMENT:	ASSEMBLY:	Ye	s <u>9-30-2004 (Env. & SW)</u> <u>10-21-2004 (Approp.)</u>
		SENATE:	Yes	<u>11-15-2004 (Environ.)</u> 2-7-2005 (Bud & App.)
	FLOOR AMENDMENT STATEMENT:		No)
	LEGISLATIVE FISCAL ESTIMATE:		Yes	2
S1292				
01202	SPONSOR'S STATEMENT: (Begins on page	e 10 of original bill)	<u>Ye</u>	<u>98</u>
	COMMITTEE STATEMENT:	ASSEMBLY:	No	
		SENATE:	Yes	<u>11-15-2004 (Environ.)</u> 2-7-2005 (Bud & App.)
	FLOOR AMENDMENT STATEMENT:		No)
	LEGISLATIVE FISCAL ESTIMATE:		Yes	2
VETO	MESSAGE:		No	

Yes

FOLLOWING WERE PRINTED:

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REPORTS:	No
HEARINGS:	No
NEWSPAPER ARTICLES:	No

IS 4/11/07

§§1-9 C.13:1E-99.82 to 13:1E-99.90 §9 Note to 52:18A-18

P.L. 2005, CHAPTER 54, approved March 24, 2005 Assembly, No. 2482 (First Reprint)

AN ACT concerning mercury in certain vehicles, and supplementing 1 2 Title 13 of the Revised Statutes. 3 4 **BE IT ENACTED** by the Senate and General Assembly of the State 5 of New Jersey: 6 7 1. This act shall be known and may be cited as the "Mercury 8 Switch Removal Act of 2004." 9 10 2. The Legislature finds and declares that mercury is a persistent 11 and toxic pollutant that bioaccumulates in the environment and that 41 12 states, including New Jersey, have issued fish advisories that warn 13 certain individuals to restrict or avoid consuming fish from bodies of 14 water contaminated with mercury. 15 The Legislature further finds and declares that the United States 16 Food and Drug Administration has advised pregnant women and 17 women of childbearing age who may become pregnant not to eat 18 shark, swordfish, king mackerel, and tilefish due to methyl mercury 19 contamination, and that according to estimates of the United States 20 Environmental Protection Agency, over 600,000 babies are born 21 annually at risk for adverse neuro-developmental effects from in-utero 22 exposure to methyl mercury resulting from the consumption of 23 mercury contaminated fish. The Legislature further finds and declares that recent findings show 24 25 that historic and current use of mercury in vehicles can cause the release of as much as 10 tons of mercury to the nation's environment 26 each year. 27 The Legislature further finds and declares that the vehicle recycling 28 29 industry, consisting primarily of small business operators, is a vital 30 component of the State's overall recycling efforts; that iron and steel 31 manufacturers provide a valuable scrap metal recycling service; that 32 reliable estimates indicate that iron and steel manufacturing plants are the largest in-State source of mercury emissions; that the main feed 33 34 stock for these plants is scrap metal which includes shredded 35 end-of-life vehicles, some of which contain mercury in switches that 36 can be emitted to the atmosphere when the scrap metal is melted in 37 high-temperature processes to convert it into new iron and steel

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly AEN committee amendments adopted September 30, 2004.

products; that mercury provides no benefit to iron and steel manufacturing plants and has no role in the manufacture of iron and steel; and that the federal Environmental Protection Agency recently finalized regulations that would require certain iron and steel foundries to implement work practice standards to exclude mercury switches from the scrap metal feed materials of these foundries.

7 The Legislature further finds and declares that, with regard to 8 mercury emissions, pollution prevention is more desirable than waste 9 management and pollution control; and that removing mercury 10 switches from end-of-life vehicles before they are crushed or shredded 11 and preventing mercury from entering high temperature processes is 12 an effective way to reduce mercury emissions into the environment.

The Legislature further finds and declares that a majority of vehicle 13 14 manufacturers have responsibly ceased using mercury switches in 15 currently-manufactured vehicles; that over the next decade and beyond millions of vehicles containing mercury switches will be recycled; that 16 17 vehicle mercury switch collection programs are being established across the country to protect human health and the environment; and 18 that iron and steel foundries, vehicle recyclers and the residents of this 19 20 State would benefit from a Statewide program that removes mercury 21 switches from end-of-life vehicles.

22 The Legislative therefore determines that it is in the public interest 23 of the residents of New Jersey to reduce the quantity of mercury in the 24 environment by removing mercury switches from end-of-life vehicles 25 in New Jersey, by creating a collection and recovery program for mercury switches removed from end-of-life vehicles in New Jersey, 26 27 and by establishing a system to store the mercury collected and 28 recovered from vehicle mercury switches in the event that 29 environmentally appropriate management technologies are not 30 available.

31

32 3. As used in this act:

33 "Capture rate" means the annual removal, collection, and recovery
34 of mercury switches as a percentage of the total number of mercury
35 switches available for removal from end-of-life vehicles;

36 "Commissioner" means the Commissioner of Environmental37 Protection;

"Department" means the Department of Environmental Protection;
"End-of-life vehicle" means a vehicle that is sold, given or
otherwise conveyed to a vehicle recycler or scrap recycling facility for
the purpose of recycling;

"Manufacturer" means a person, firm, association, partnership,
corporation, governmental entity, organization, combination, or joint
venture which is the last person in the production or assembly process
of a new vehicle that utilizes mercury switches, or in the case of an
imported vehicle, the importer or domestic distributor of the vehicle;

"Mercury minimization plan" means a plan for removing, collecting
 and recovering mercury switches from end-of-life vehicles and
 prepared pursuant to section 4 of this act;

"Mercury switch" means ¹[any light switch or an anti-lock braking
system switch that contains mercury and that is installed by a
manufacturer in a vehicle] <u>each mercury-containing capsule</u>,
<u>commonly known as a "bullet," that is part of a convenience light</u>
<u>switch assembly or part of an anti-lock braking system assembly</u>
installed in a vehicle. An anti-lock braking system assembly may
<u>contain more than one mercury switch</u>¹;

"Scrap recycling facility" means a fixed location where machinery and equipment are utilized for processing and manufacturing scrap metal into prepared grades and whose principal product is scrap iron, scrap steel or nonferrous metallic scrap for sale for remelting purposes;

"Vehicle" means any passenger ¹[automobile or passenger 16 automobile derivative capable of seating 15 or fewer passengers, or 17 any motor vehicle rated at 6,000 pounds gross vehicle weight or less 18 19 and a loaded vehicle weight of 5,750 pounds or less, which is designed 20 primarily for purposes of transportation of property, or is a derivative 21 of such motor vehicle including, but not limited to, pick-ups, vans, and 22 window vans] car, station wagon, truck, van, or sport utility vehicle 23 with a gross vehicle weight rating of less than 12,000 pounds¹; and 24 "Vehicle recycler" means an individual or entity engaged in the 25 business of acquiring, dismantling or destroying six or more end-of-life 26 vehicles in a calendar year for the primary purpose of resale of their

- 27 parts.
- 28

4. a. Within 90 days after the effective date of this act, every
manufacturer of vehicles sold within the State, individually or as part
of a group, shall develop, in consultation with the department, a
mercury minimization plan prepared pursuant to this section and
submit the mercury minimization plan to the commissioner for review
and approval pursuant to section 5 of this act.

b. The mercury minimization plan prepared and submitted pursuantto this section shall include, at a minimum, the following:

(1) information identifying the make, model, and year of vehicles 37 ¹, including current or anticipated future production models,¹ that may 38 contain ¹[a] <u>one or more</u>¹ mercury ¹[switch] <u>switches</u>¹; a description 39 of the mercury ¹[switch] <u>switches</u>¹; the location of these mercury 40 41 switches; and the safe and environmentally sound methods for their 42 removal from end-of-life vehicles. To the extent a manufacturer is 43 uncertain as to the content of a switch installed during the manufacture 44 of a vehicle, the mercury minimization plan shall presume that the 45 switch is a mercury switch;

46 (2) educational materials to assist a vehicle recycler or a scrap

recycling facility in undertaking a safe and environmentally sound
 method for the removal of the mercury switches from end-of-life
 vehicles, including information on the hazards related to, and the

4 proper handling of, mercury;

(3) a proposal for the method of storage or disposal of the mercury
switches, including the method of packaging and shipping mercury
switches to authorized recycling, storage, or disposal facilities;
¹[and]¹

9 (4) a proposal for the storage of mercury switches collected and 10 recovered from end-of-life vehicles in the event that environmentally 11 appropriate management technologies are not available; and

(5) a plan for implementing and financing the system, in accordancewith subsection d. of this section.

c. A mercury minimization plan shall, to the extent practicable,
utilize the existing end-of-life vehicle recycling infrastructure. Where
the existing end-of-life vehicle recycling infrastructure is not utilized,
the mercury minimization plan shall include the reasons for establishing
a separate infrastructure.

19 d. A mercury minimization plan must provide for the financing of 20 the removal, collection, and recovery system for mercury switches as 21 provided in this subsection. These costs shall be borne by the 22 manufacturers of vehicles sold in the State, and the manufacturers shall 23 develop a method that ensures the prompt payment to vehicle 24 recyclers, scrap recycling facilities and the department, for costs 25 associated with mercury switch removal and disposal. Costs shall include, but not be limited to, the following: 26

(1) a minimum of ¹[\$1] <u>\$2</u>¹ for each mercury switch removed by
a vehicle recycler pursuant to subsection a. of section 6 of this act as
partial compensation for the labor and other costs incurred by a
vehicle recycler in the removal of the mercury switch;

31 (2) a minimum of ¹[\$1] <u>\$2</u>¹ for each mercury switch removed by
32 a scrap recycling facility pursuant to subsection b. of section 6 of this
33 act as partial compensation for the labor and other costs incurred by
34 a scrap recycling facility in the removal of the mercury switch;

(3) \$0.25 for each mercury switch removed by a vehicle recycler
pursuant to subsection a. of section 6 of this act or by a scrap
recycling facility pursuant to subsection b. of section 6 of this act as
partial compensation for the department for costs incurred in
administering and enforcing the provisions of this act;

40 (4) packaging in which to transport mercury switches to recycling,41 storage or disposal facilities;

42 (5) shipping of mercury switches to recycling, storage or disposal43 facilities;

44 (6) recycling, storage or disposal of the mercury switches;

(7) the preparation and distribution to vehicle recyclers and scraprecycling facilities of the educational materials required pursuant to

1 paragraph (2) of subsection b. of this section; and 2 (8) maintenance of all appropriate record-keeping systems. 3 ¹e. Within 30 days after the effective date of this act, every 4 manufacturer of vehicles sold within the State, individually or as part 5 of a group, shall provide to vehicle recyclers and scrap recycling facilities containers suitable for storing mercury switches until such 6 time that vehicle recyclers and scrap recycling facilities can be 7 8 reimbursed pursuant to this section. 9 f. Manufacturers of vehicles sold within the State shall provide 10 recyclers or scrap recycling facilities with reimbursement for each 11 mercury switch in the amount set pursuant to this section regardless of when these switches were removed from the vehicles, provided that 12 13 the vehicle recyclers or scrap recycling facilities record and provide 14 the Vehicle Identification Number (VIN) associated with each mercury 15 switch as required pursuant to section 6 of this act.¹ 16

5. a. Within 120 days after receipt of a mercury minimization plan,
the commissioner shall approve, disapprove, or conditionally approve
the entire mercury minimization plan. The commissioner may solicit
input from representatives of vehicle recyclers, scrap recycling
facilities, and other stakeholders as the commissioner deems
appropriate.

(1) If the entire mercury minimization plan is approved, the
manufacturer shall begin implementation within 30 days after receipt
of approval or as otherwise agreed to by the commissioner. If the
entire mercury minimization plan is disapproved, the commissioner
shall inform the manufacturer as to the reasons for the disapproval.
The manufacturer shall have 30 days thereafter to submit a new
mercury minimization plan.

30 (2) The commissioner may approve those parts of a mercury 31 minimization plan that meet the requirements of section 4 of this act 32 and disapprove the parts that do not comply with the requirements of 33 section 4 of this act. The manufacturer shall implement the approved 34 parts within 30 days after receipt of approval or as otherwise agreed 35 to by the commissioner, and submit a revised mercury minimization plan for the disapproved parts within 30 days after receipt of 36 37 notification of the disapproval of the commissioner. The 38 commissioner shall review, and approve, conditionally approve, or 39 disapprove a revised mercury minimization plan within 30 days after 40 receipt.

(3) If, at the conclusion of the time period of 120 days after receipt
of a mercury minimization plan, the commissioner has neither
approved nor disapproved the mercury minimization plan pursuant to
paragraphs (1) or (2) of this subsection, the mercury minimization plan
shall be considered to be conditionally approved. A manufacturer,
subject to any modifications required by the commissioner, shall

implement a conditionally ¹[effective] <u>approved</u>¹ mercury
 minimization plan within 30 days after receipt of approval or as
 otherwise agreed to by the commissioner.

4 b. The commissioner shall reserve the right to complete, at the 5 conclusion of a time period 240 days after the date of enactment of this act, on behalf of a manufacturer, any portion of a mercury 6 7 minimization plan that has not been approved pursuant to this section. 8 c. The commissioner may review a mercury minimization plan 9 approved pursuant to this section and recommend modifications 10 thereto at any time upon a finding that the approved mercury minimization plan is deficient. 11

12

13 6. a. Commencing 30 days after the approval or conditional approval of a mercury minimization plan pursuant to section 5 of this 14 15 act, a vehicle recycler who sells, gives or otherwise conveys ownership 16 of an end-of-life vehicle to a scrap recycling facility for recycling shall 17 remove all mercury switches identified in the approved mercury 18 minimization plan from the end-of-life vehicle prior to delivery to a 19 scrap recycling facility, unless a mercury switch is inaccessible due to 20 significant damage to the vehicle in the area surrounding the location 21 of the mercury switch, in which case such damage shall be noted on 22 the normal business records of the vehicle recycler who delivered the 23 end-of-life vehicle to the scrap recycling facility.

b. Notwithstanding subsection a. of this section, a scrap recycling
facility may agree to accept an end-of-life vehicle, which has not been
intentionally flattened, crushed or baled, containing mercury switches,
in which case the scrap recycling facility shall be responsible for
removing the mercury switches identified in the mercury minimization
plan approved pursuant to section 5 of this act before the end-of-life
vehicle is intentionally flattened, crushed, baled, or shredded.

c. A vehicle recycler or scrap recycling facility who removes 31 32 mercury switches pursuant to subsection a. or subsection b. of this 33 section shall maintain records documenting the number of mercury 34 switches collected, the number of end-of-life vehicles containing 35 mercury switches, and the number of end-of-life vehicles processed for recycling. ¹<u>The records shall include the Vehicle Identification</u> 36 Number (VIN) of each vehicle from which one or more mercury 37 switches were removed, and the number of mercury switches removed 38 from that vehicle.¹ These records shall be made available for review 39 by the department upon the request of the department. 40

d. No person shall represent that mercury switches have been
removed from an end-of-life vehicle being sold, given or otherwise
conveyed for recycling if that person has not removed the mercury
switches, or arranged with another person to remove the mercury
switches.

46 e. Upon removal, mercury switches shall be collected, stored,47 transported, and otherwise handled in accordance with the mercury

1 minimization plan approved pursuant to section 5 of this act.

f. Upon removal, mercury switches shall be collected, stored,
transported, and otherwise handled in accordance with the provisions
of the rules and regulations concerning universal waste adopted by the
department pursuant to the "Solid Waste Management Act," P.L.1970,
c.39 (C.13:1E-1 et seq.) and the "New Jersey Statewide Mandatory
Source Separation and Recycling Act," P.L.1987, c.102
(C.13:1E-99.11 et al.), as applicable.

9

10 7. a. One year after the implementation of a mercury minimization plan approved pursuant to section 5 of this act, and annually 11 12 thereafter, a manufacturer subject to section 4 of this act shall, 13 individually or as part of a group, report to the commissioner 14 concerning the implementation of the mercury minimization plan. The 15 report shall include, but need not be limited to, the following: (1) a detailed description and documentation of the capture rate achieved, 16 17 with the goal of achieving a mercury switch capture rate of at least 90 percent, consistent with the principle that mercury switches shall be 18 19 recovered unless the mercury switch is inaccessible due to significant 20 damage to the end-of-life vehicle in the area surrounding where the 21 mercury switch is located; (2) a description of additional or 22 alternative actions that may be implemented to improve the mercury 23 minimization plan and its implementation in the event that a mercury 24 switch capture rate of at least 90 percent is not achieved; (3) the 25 number of mercury switches collected, the number of end-of-life 26 vehicles containing mercury switches, the number of end-of-life 27 vehicles processed for recycling, and a description of how the mercury 28 switches were managed; and (4) a description of the amounts paid to 29 cover the costs of implementing the mercury minimization plan.

b. The commissioner may discontinue the requirement for the
annual report pursuant to subsection a. of this section upon a finding
that mercury switches in end-of-life vehicles no longer pose a
significant threat to the environment or to public health.

8. a. Whenever the commissioner finds that a person has violated
any provision of this act, or any rule or regulation adopted pursuant
thereto, the commissioner may:

(1) issue an order requiring the person found to be in violation tocomply in accordance with subsection b. of this section;

40 (2) bring a civil action in accordance with subsection c. of this41 section;

42 (3) levy a civil administrative penalty in accordance with subsection43 d. of this section;

44 (4) bring an action for a civil penalty in accordance with subsection45 e. of this section; or

46 (5) petition the Attorney General to bring a criminal action in

1 accordance with subsection f. of this section.

2 Pursuit of any of the remedies specified under this section shall not

3 preclude the seeking of any other remedy specified.

4 b. Whenever the commissioner finds that a person has violated this 5 act, or any rule or regulation adopted pursuant thereto, the commissioner may issue an order specifying the provision or 6 provisions of this act, or the rule or regulation adopted pursuant 7 8 thereto, of which the person is in violation, citing the action that 9 constituted the violation, ordering abatement of the violation, and 10 giving notice to the person of the person's right to a hearing on the 11 matters contained in the order. The ordered person shall have 20 12 calendar days from receipt of the order within which to deliver to the 13 commissioner a written request for a hearing. After the hearing and 14 upon finding that a violation has occurred, the commissioner may issue 15 a final order. If no hearing is requested, the order shall become final after the expiration of the 20-day period. A request for hearing shall 16 17 not automatically stay the effect of the order.

c. The commissioner may institute an action or proceeding in the
Superior Court for injunctive and other relief to enforce the provisions
of this act and to prohibit and prevent a violation of this act, or of any
rule or regulation adopted pursuant thereto, and the court may
proceed in the action in a summary manner. In any such proceeding
the court may grant temporary or interlocutory relief.

24 Such relief may include, singly or in combination:

25 (1) a temporary or permanent injunction;

(2) assessment of the violator for the reasonable costs of any
inspection that led to the establishment of the violation, and for the
reasonable costs of preparing and litigating the case under this
subsection.

d. The commissioner may assess a civil administrative penalty of
not more than \$7,500 for a first offense, not more than \$10,000 for a
second offense and not more than \$25,000 for a third and every
subsequent offense. Each day that a violation continues shall
constitute an additional, separate, and distinct offense.

35 No assessment may be levied pursuant to this section until after the violator has been notified by certified mail or personal service. The 36 notice shall include a reference to the section of the statute, rule, 37 38 regulation, or order violated, a concise statement of the facts alleged to constitute a violation, a statement of the amount of the civil 39 40 administrative penalties to be imposed, and a statement of the person's 41 right to a hearing. The ordered person shall have 20 calendar days from receipt of the notice within which to deliver to the commissioner 42 43 a written request for a hearing.

After the hearing and upon finding that a violation has occurred, the
commissioner may issue a final order after assessing the amount of the
fine specified in the notice. If no hearing is requested, the notice shall

1 become a final order after the expiration of the 20-day period. 2 Payment of the assessment is due when a final order is issued or the 3 notice becomes a final order. The authority to levy a civil 4 administrative penalty is in addition to all other enforcement provisions in this act, and the payment of any assessment shall not be deemed to 5 affect the availability of any other enforcement provisions in 6 7 connection with the violation for which the assessment is levied. The 8 commissioner may compromise any civil administrative penalty 9 assessed under this section in an amount the commissioner determines 10 appropriate.

e. A person who violates this act, or any rule or regulation adopted
pursuant thereto, shall be liable for a penalty of not more than \$7,500
per day, to be collected in a civil action commenced by the
commissioner.

A person who violates an administrative order issued pursuant to subsection b. of this section, or a court order issued pursuant to subsection c. of this section, or who fails to pay an administrative assessment in full pursuant to subsection d. of this section is subject upon order of a court to a civil penalty not to exceed \$50,000 per day of each violation.

Any penalty imposed pursuant to this subsection may be collected, with costs, in a summary proceeding pursuant to the "Penalty Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.). The Superior Court and the municipal court shall have jurisdiction to enforce the provisions of the "Penalty Enforcement Law of 1999" in connection with this act.

27 f. A person who willfully or negligently violates this act shall be 28 guilty, upon conviction, of a crime of the fourth degree and shall be 29 subject to a fine of not less than \$2,500 nor more than \$25,000 per day of violation. A second offense under this subsection shall subject the 30 violator to a fine of not less than \$5,000 nor more than \$50,000 per 31 32 day of violation. A person who knowingly makes a false statement, representation, or certification in any application, record, or other 33 34 document filed or required to be maintained under this act, or who 35 falsifies, tampers with or knowingly renders inaccurate, any monitoring device or method required to be maintained pursuant to this act, shall, 36 37 upon conviction, be subject to a fine of not more than \$10,000.

38

9. Notwithstanding any other policies and guidelines for the
procurement of vehicles to the contrary, the Department of the
Treasury shall, within one year after the effective date of this act,
revise its policies, rules and procedures to give priority and preference
to the purchase of vehicles that do not contain mercury, taking into
consideration competition, price, availability and performance.

46 10. This act shall take effect immediately.

A2482 [1R] 10

1 _____

- 3 Establishes program for removal of mercury switches from end-of-life
- 4 vehicles.

ASSEMBLY, No. 2482 STATE OF NEW JERSEY 211th LEGISLATURE

INTRODUCED MARCH 11, 2004

Sponsored by: Assemblyman JOHN J. BURZICHELLI District 3 (Salem, Cumberland and Gloucester) Assemblyman REED GUSCIORA District 15 (Mercer) Assemblyman JOHN F. MCKEON District 27 (Essex)

Co-Sponsored by: Assemblywoman Weinberg

SYNOPSIS

Establishes program for removal of mercury switches from scrapped vehicles.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 5/4/2004)

AN ACT concerning mercury in certain vehicles, and supplementing

Title 13 of the Revised Statutes.

1

2

3 4 **BE IT ENACTED** by the Senate and General Assembly of the State 5 of New Jersey: 6 1. This act shall be known and may be cited as the "Mercury 7 8 Switch Removal Act of 2004." 9 10 2. The Legislature finds and declares that mercury is a persistent 11 and toxic pollutant that bioaccumulates in the environment and that 41 states, including New Jersey, have issued fish advisories that warn 12 13 certain individuals to restrict or avoid consuming fish from bodies of 14 water contaminated with mercury. The Legislature further finds and declares that the United States 15 Food and Drug Administration has advised pregnant women and 16 17 women of childbearing age who may become pregnant not to eat

shark, swordfish, king mackerel, and tilefish due to methyl mercury
contamination, and that according to estimates of the United States
Environmental Protection Agency, over 600,000 babies are born
annually at risk for adverse neuro-developmental effects from in-utero
exposure to methyl mercury resulting from the consumption of
mercury contaminated fish.

The Legislature further finds and declares that recent findings show that historic and current use of mercury in vehicles can cause the release of as much as 10 tons of mercury to the nation's environment each year.

28 The Legislature further finds and declares that the vehicle recycling 29 industry, consisting primarily of small business operators, is a vital 30 component of the State's overall recycling efforts; that iron and steel 31 manufacturers provide a valuable scrap metal recycling service; that 32 reliable estimates indicate that iron and steel manufacturing plants are the largest in-State source of mercury emissions; that the main feed 33 34 stock for these plants is scrap metal which includes shredded 35 end-of-life vehicles, some of which contain mercury in switches that 36 can be emitted to the atmosphere when the scrap metal is melted in 37 high-temperature processes to convert it into new iron and steel products; that mercury provides no benefit to iron and steel 38 39 manufacturing plants and has no role in the manufacture of iron and steel; and that the federal Environmental Protection Agency recently 40 41 finalized regulations that would require certain iron and steel foundries 42 to implement work practice standards to exclude mercury switches 43 from the scrap metal feed materials of these foundries.

The Legislature further finds and declares that, with regard to
mercury emissions, pollution prevention is more desirable than waste
management and pollution control; and that removing mercury

1 switches from end-of-life vehicles before they are crushed or shredded 2 and preventing mercury from entering high temperature processes is 3 an effective way to reduce mercury emissions into the environment. 4 The Legislature further finds and declares that a majority of vehicle 5 manufacturers have responsibly ceased using mercury switches in 6 currently-manufactured vehicles; that over the next decade and beyond 7 millions of vehicles containing mercury switches will be recycled; that 8 vehicle mercury switch collection programs are being established 9 across the country to protect human health and the environment; and 10 that iron and steel foundries, vehicle recyclers and the residents of this State would benefit from a Statewide program that removes mercury 11 12 switches from end-of-life vehicles. 13 The Legislative therefore determines that it is in the public interest 14 of the residents of New Jersey to reduce the quantity of mercury in the 15 environment by removing mercury switches from end-of-life vehicles in New Jersey, by creating a collection and recovery program for 16 mercury switches removed from end-of-life vehicles in New Jersey, 17 and by establishing a system to store the mercury collected and 18

19 recovered from vehicle mercury switches in the event that20 environmentally appropriate management technologies are not21 available.

22

23 3. As used in this act:

"Capture rate" means the annual removal, collection, and recovery
of mercury switches as a percentage of the total number of mercury
switches available for removal from end-of-life vehicles;

27 "Commissioner" means the Commissioner of Environmental28 Protection;

"Department" means the Department of Environmental Protection;
"End-of-life vehicle" means a vehicle that is sold, given or
otherwise conveyed to a vehicle recycler or scrap recycling facility for
the purpose of recycling;

"Manufacturer" means a person, firm, association, partnership,
corporation, governmental entity, organization, combination, or joint
venture which is the last person in the production or assembly process
of a new vehicle that utilizes mercury switches, or in the case of an
imported vehicle, the importer or domestic distributor of the vehicle;
"Mercury minimization plan" means a plan for removing, collecting

and recovering mercury switches from end-of-life vehicles andprepared pursuant to section 4 of this act;

41 "Mercury switch" means any light switch or an anti-lock braking
42 system switch that contains mercury and that is installed by a
43 manufacturer in a vehicle;

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45 and equipment are utilized for processing and manufacturing scrap
46 metal into prepared grades and whose principal product is scrap iron,

scrap steel or nonferrous metallic scrap for sale for remelting
 purposes;

"Vehicle" means any passenger automobile or passenger automobile
derivative capable of seating 15 or fewer passengers, or any motor
vehicle rated at 6,000 pounds gross vehicle weight or less and a loaded
vehicle weight of 5,750 pounds or less, which is designed primarily for
purposes of transportation of property, or is a derivative of such motor
vehicle including, but not limited to, pick-ups, vans, and window vans;
and

"Vehicle recycler" means an individual or entity engaged in the
business of acquiring, dismantling or destroying six or more end-of-life
vehicles in a calendar year for the primary purpose of resale of their
parts.

14

4. a. Within 90 days after the effective date of this act, every manufacturer of vehicles sold within the State, individually or as part of a group, shall develop, in consultation with the department, a mercury minimization plan prepared pursuant to this section and submit the mercury minimization plan to the commissioner for review and approval pursuant to section 5 of this act.

b. The mercury minimization plan prepared and submitted pursuantto this section shall include, at a minimum, the following:

23 (1) information identifying the make, model, and year of vehicles 24 that may contain a mercury switch; a description of the mercury 25 switch; the location of these mercury switches; and the safe and 26 environmentally sound methods for their removal from end-of-life 27 vehicles. To the extent a manufacturer is uncertain as to the content of a switch installed during the manufacture of a vehicle, the mercury 28 29 minimization plan shall presume that the switch is a mercury switch; 30 (2) educational materials to assist a vehicle recycler or a scrap 31 recycling facility in undertaking a safe and environmentally sound 32 method for the removal of the mercury switches from end-of-life 33 vehicles, including information on the hazards related to, and the

34 proper handling of, mercury;

35 (3) a proposal for the method of storage or disposal of the mercury
36 switches, including the method of packaging and shipping mercury
37 switches to authorized recycling, storage, or disposal facilities; and

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recovered from end-of-life vehicles in the event that environmentally
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41 (5) a plan for implementing and financing the system, in accordance42 with subsection d. of this section.

c. A mercury minimization plan shall, to the extent practicable,
utilize the existing end-of-life vehicle recycling infrastructure. Where
the existing end-of-life vehicle recycling infrastructure is not utilized,
the mercury minimization plan shall include the reasons for establishing

a separate infrastructure.
 d. A mercury minimization plan must provide for the financing of

the removal, collection, and recovery system for mercury switches as provided in this subsection. These costs shall be borne by the manufacturers of vehicles sold in the State, and the manufacturers shall develop a method that ensures the prompt payment to vehicle recyclers, scrap recycling facilities and the department, for costs associated with mercury switch removal and disposal. Costs shall include, but not be limited to, the following:

(1) a minimum of \$1 for each mercury switch removed by a vehicle
recycler pursuant to subsection a. of section 6 of this act as partial
compensation for the labor and other costs incurred by a vehicle
recycler in the removal of the mercury switch;

(2) a minimum of \$1 for each mercury switch removed by a scrap
recycling facility pursuant to subsection b. of section 6 of this act as
partial compensation for the labor and other costs incurred by a scrap
recycling facility in the removal of the mercury switch;

(3) \$0.25 for each mercury switch removed by a vehicle recycler
pursuant to subsection a. of section 6 of this act or by a scrap
recycling facility pursuant to subsection b. of section 6 of this act as
partial compensation for the department for costs incurred in
administering and enforcing the provisions of this act;

23 (4) packaging in which to transport mercury switches to recycling,24 storage or disposal facilities;

(5) shipping of mercury switches to recycling, storage or disposalfacilities;

27 (6) recycling, storage or disposal of the mercury switches;

(7) the preparation and distribution to vehicle recyclers and scrap
recycling facilities of the educational materials required pursuant to
paragraph (2) of subsection b. of this section; and

31 (8) maintenance of all appropriate record-keeping systems.

32

5. a. Within 120 days after receipt of a mercury minimization plan,
the commissioner shall approve, disapprove, or conditionally approve
the entire mercury minimization plan. The commissioner may solicit
input from representatives of vehicle recyclers, scrap recycling
facilities, and other stakeholders as the commissioner deems
appropriate.

(1) If the entire mercury minimization plan is approved, the
manufacturer shall begin implementation within 30 days after receipt
of approval or as otherwise agreed to by the commissioner. If the
entire mercury minimization plan is disapproved, the commissioner
shall inform the manufacturer as to the reasons for the disapproval.
The manufacturer shall have 30 days thereafter to submit a new
mercury minimization plan.

46 (2) The commissioner may approve those parts of a mercury

1 minimization plan that meet the requirements of section 4 of this act 2 and disapprove the parts that do not comply with the requirements of 3 section 4 of this act. The manufacturer shall implement the approved 4 parts within 30 days after receipt of approval or as otherwise agreed to by the commissioner, and submit a revised mercury minimization 5 6 plan for the disapproved parts within 30 days after receipt of The 7 notification of the disapproval of the commissioner. 8 commissioner shall review, and approve, conditionally approve, or 9 disapprove a revised mercury minimization plan within 30 days after 10 receipt.

11 (3) If, at the conclusion of the time period of 120 days after receipt 12 of a mercury minimization plan, the commissioner has neither 13 approved nor disapproved the mercury minimization plan pursuant to 14 paragraphs (1) or (2) of this subsection, the mercury minimization plan 15 shall be considered to be conditionally approved. A manufacturer, subject to any modifications required by the commissioner, shall 16 implement a conditionally effective mercury minimization plan within 17 30 days after receipt of approval or as otherwise agreed to by the 18 19 commissioner.

20 b. The commissioner shall reserve the right to complete, at the 21 conclusion of a time period 240 days after the date of enactment of 22 this act, on behalf of a manufacturer, any portion of a mercury 23 minimization plan that has not been approved pursuant to this section. c. The commissioner may review a mercury minimization plan 24 25 approved pursuant to this section and recommend modifications 26 thereto at any time upon a finding that the approved mercury 27 minimization plan is deficient.

28

29 6. a. Commencing 30 days after the approval or conditional 30 approval of a mercury minimization plan pursuant to section 5 of this 31 act, a vehicle recycler who sells, gives or otherwise conveys ownership 32 of an end-of-life vehicle to a scrap recycling facility for recycling shall 33 remove all mercury switches identified in the approved mercury 34 minimization plan from the end-of-life vehicle prior to delivery to a scrap recycling facility, unless a mercury switch is inaccessible due to 35 significant damage to the vehicle in the area surrounding the location 36 37 of the mercury switch, in which case such damage shall be noted on 38 the normal business records of the vehicle recycler who delivered the 39 end-of-life vehicle to the scrap recycling facility.

b. Notwithstanding subsection a. of this section, a scrap recycling
facility may agree to accept an end-of-life vehicle, which has not been
intentionally flattened, crushed or baled, containing mercury switches,
in which case the scrap recycling facility shall be responsible for
removing the mercury switches identified in the mercury minimization
plan approved pursuant to section 5 of this act before the end-of-life
vehicle is intentionally flattened, crushed, baled, or shredded.

c. A vehicle recycler or scrap recycling facility who removes
 mercury switches pursuant to subsection a. or subsection b. of this
 section shall maintain records documenting the number of mercury
 switches collected, the number of end-of-life vehicles containing
 mercury switches, and the number of end-of-life vehicles processed for
 recycling. These records shall be made available for review by the
 department upon the request of the department.

8 d. No person shall represent that mercury switches have been 9 removed from an end-of-life vehicle being sold, given or otherwise 10 conveyed for recycling if that person has not removed the mercury 11 switches, or arranged with another person to remove the mercury 12 switches.

e. Upon removal, mercury switches shall be collected, stored,
transported, and otherwise handled in accordance with the mercury
minimization plan approved pursuant to section 5 of this act.

f. Upon removal, mercury switches shall be collected, stored,
transported, and otherwise handled in accordance with the provisions
of the rules and regulations concerning universal waste adopted by the
department pursuant to the "Solid Waste Management Act," P.L.1970,
c.39 (C.13:1E-1 et seq.) and the "New Jersey Statewide Mandatory
Source Separation and Recycling Act," P.L.1987, c.102
(C.13:1E-99.11 et al.), as applicable.

23

24 7. a. One year after the implementation of a mercury minimization 25 plan approved pursuant to section 5 of this act, and annually 26 thereafter, a manufacturer subject to section 4 of this act shall, 27 individually or as part of a group, report to the commissioner concerning the implementation of the mercury minimization plan. The 28 29 report shall include, but need not be limited to, the following: (1) a 30 detailed description and documentation of the capture rate achieved, 31 with the goal of achieving a mercury switch capture rate of at least 90 32 percent, consistent with the principle that mercury switches shall be 33 recovered unless the mercury switch is inaccessible due to significant 34 damage to the end-of-life vehicle in the area surrounding where the mercury switch is located; (2) a description of additional or 35 36 alternative actions that may be implemented to improve the mercury 37 minimization plan and its implementation in the event that a mercury 38 switch capture rate of at least 90 percent is not achieved; (3) the 39 number of mercury switches collected, the number of end-of-life 40 vehicles containing mercury switches, the number of end-of-life 41 vehicles processed for recycling, and a description of how the mercury 42 switches were managed; and (4) a description of the amounts paid to 43 cover the costs of implementing the mercury minimization plan. 44

b. The commissioner may discontinue the requirement for the
annual report pursuant to subsection a. of this section upon a finding
that mercury switches in end-of-life vehicles no longer pose a
significant threat to the environment or to public health.

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1 8. a. Whenever the commissioner finds that a person has violated 2 any provision of this act, or any rule or regulation adopted pursuant 3 thereto, the commissioner may:

4 (1) issue an order requiring the person found to be in violation to 5 comply in accordance with subsection b. of this section;

6 (2) bring a civil action in accordance with subsection c. of this 7 section;

8 (3) levy a civil administrative penalty in accordance with subsection 9 d. of this section;

10 (4) bring an action for a civil penalty in accordance with subsection 11 e. of this section; or

12 (5) petition the Attorney General to bring a criminal action in 13 accordance with subsection f. of this section.

14 Pursuit of any of the remedies specified under this section shall not 15 preclude the seeking of any other remedy specified.

b. Whenever the commissioner finds that a person has violated this 16 17 act, or any rule or regulation adopted pursuant thereto, the 18 commissioner may issue an order specifying the provision or 19 provisions of this act, or the rule or regulation adopted pursuant 20 thereto, of which the person is in violation, citing the action that 21 constituted the violation, ordering abatement of the violation, and 22 giving notice to the person of the person's right to a hearing on the 23 matters contained in the order. The ordered person shall have 20 calendar days from receipt of the order within which to deliver to the 24 25 commissioner a written request for a hearing. After the hearing and 26 upon finding that a violation has occurred, the commissioner may issue 27 a final order. If no hearing is requested, the order shall become final after the expiration of the 20-day period. A request for hearing shall 28 29 not automatically stay the effect of the order.

30 c. The commissioner may institute an action or proceeding in the 31 Superior Court for injunctive and other relief to enforce the provisions 32 of this act and to prohibit and prevent a violation of this act, or of any rule or regulation adopted pursuant thereto, and the court may 33 proceed in the action in a summary manner. In any such proceeding 34 35 the court may grant temporary or interlocutory relief.

36 Such relief may include, singly or in combination:

37 (1) a temporary or permanent injunction;

38 (2) assessment of the violator for the reasonable costs of any 39 inspection that led to the establishment of the violation, and for the 40 reasonable costs of preparing and litigating the case under this 41 subsection.

42 d. The commissioner may assess a civil administrative penalty of 43 not more than \$7,500 for a first offense, not more than \$10,000 for a 44 second offense and not more than \$25,000 for a third and every 45 subsequent offense. Each day that a violation continues shall constitute an additional, separate, and distinct offense. 46

1 No assessment may be levied pursuant to this section until after the 2 violator has been notified by certified mail or personal service. The 3 notice shall include a reference to the section of the statute, rule, 4 regulation, or order violated, a concise statement of the facts alleged to constitute a violation, a statement of the amount of the civil 5 6 administrative penalties to be imposed, and a statement of the person's right to a hearing. The ordered person shall have 20 calendar days 7 8 from receipt of the notice within which to deliver to the commissioner 9 a written request for a hearing.

10 After the hearing and upon finding that a violation has occurred, the 11 commissioner may issue a final order after assessing the amount of the fine specified in the notice. If no hearing is requested, the notice shall 12 13 become a final order after the expiration of the 20-day period. 14 Payment of the assessment is due when a final order is issued or the 15 notice becomes a final order. The authority to levy a civil administrative penalty is in addition to all other enforcement provisions 16 in this act, and the payment of any assessment shall not be deemed to 17 affect the availability of any other enforcement provisions in 18 19 connection with the violation for which the assessment is levied. The 20 commissioner may compromise any civil administrative penalty 21 assessed under this section in an amount the commissioner determines 22 appropriate.

e. A person who violates this act, or any rule or regulation adopted
pursuant thereto, shall be liable for a penalty of not more than \$7,500
per day, to be collected in a civil action commenced by the
commissioner.

A person who violates an administrative order issued pursuant to subsection b. of this section, or a court order issued pursuant to subsection c. of this section, or who fails to pay an administrative assessment in full pursuant to subsection d. of this section is subject upon order of a court to a civil penalty not to exceed \$50,000 per day of each violation.

Any penalty imposed pursuant to this subsection may be collected, with costs, in a summary proceeding pursuant to the "Penalty Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.). The Superior Court and the municipal court shall have jurisdiction to enforce the provisions of the "Penalty Enforcement Law of 1999" in connection with this act.

39 f. A person who willfully or negligently violates this act shall be 40 guilty, upon conviction, of a crime of the fourth degree and shall be subject to a fine of not less than \$2,500 nor more than \$25,000 per day 41 42 of violation. A second offense under this subsection shall subject the 43 violator to a fine of not less than \$5,000 nor more than \$50,000 per 44 day of violation. A person who knowingly makes a false statement, 45 representation, or certification in any application, record, or other document filed or required to be maintained under this act, or who 46

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10

1 falsifies, tampers with or knowingly renders inaccurate, any monitoring 2 device or method required to be maintained pursuant to this act, shall, 3 upon conviction, be subject to a fine of not more than \$10,000. 4 5 9. Notwithstanding any other policies and guidelines for the 6 procurement of vehicles to the contrary, the Department of the 7 Treasury shall, within one year after the effective date of this act, 8 revise its policies, rules and procedures to give priority and preference 9 to the purchase of vehicles that do not contain mercury, taking into consideration competition, price, availability and performance. 10 11 12 10. This act shall take effect immediately. 13 14 15 **STATEMENT** 16 17 This bill would create a collection and recovery program for 18 mercury switches removed from scrapped vehicles in New Jersey, and 19 require vehicle manufacturers, either individually or as part of a group, 20 to develop and submit to the Department of Environmental Protection 21 (DEP) mercury minimization plans within 90 days of the effective date 22 of this bill. 23 The mercury minimization plan would address the removal of mercury switches, i.e., any light switch or an anti-lock braking system 24 25 switch that contains mercury and that is installed by a manufacturer in 26 a vehicle, by vehicle recyclers prior to vehicles being melted down. As 27 part of the plan, manufacturers would provide information on the 28 makes, models and years of vehicles that may have mercury switches, 29 and implement an education and outreach program to assist vehicle 30 recyclers and scrap recycling facilities in undertaking a safe and 31 environmentally sound method for the removal of the mercury 32 switches from end-of-life vehicles. The bill would also require manufacturers to pay a minimum of \$1 for each mercury switch 33 34 removed by a vehicle recycler or a scrap recycling facility as partial compensation for the labor and other costs incurred by the vehicle 35 recycler or the scrap recycling facility in the removal of mercury 36 switch, and \$0.25 to the DEP for each mercury switch removed as 37 38 partial compensation for the DEP's administrative and enforcement 39 costs. Manufacturers would also be responsible for the costs of 40 packaging to transport, and shipping of, mercury switches to recycling, 41 storage or disposal facilities, and the recycling, storage or disposal of 42 the mercury switches; This bill would require vehicle recyclers who sell, give or otherwise 43 44 convey ownership of end-of-life vehicles to scrap recycling facilities 45 for recycling to remove all mercury switches identified in the mercury

46 minimization plan from end-of-life vehicles prior to delivery to a scrap

recycling facility, unless a mercury switch is inaccessible due to
 significant damage to the vehicle in the area surrounding the location
 of the mercury switch.

5 of the mercury switch.

4 The bill would further provide that a scrap recycling facility may

agree to accept an end-of-life vehicle, which has not been intentionally
flattened, crushed or baled, containing mercury switches, in which case

the scrap recycling facility would be responsible for removing the
mercury switches.

9 Lastly, this bill, notwithstanding any other policies and guidelines 10 for the procurement of vehicles to the contrary, would require the 11 Department of the Treasury to revise its policies, rules and procedures 12 to give priority and preference to the purchase of mercury-free 13 vehicles, taking into consideration competition, price, availability and 14 performance.

This bill is modeled on legislation enacted by the State of Maine in2001.

17 Mercury is a persistent and toxic pollutant that bioaccumulates in 18 the environment. Forty-one states, including New Jersey, have issued 19 fish advisories that warn certain individuals to restrict or avoid 20 consuming fish from bodies of water contaminated with mercury.

21 Iron and steel manufacturing plants provide a valuable scrap metal 22 recycling service. A primary feed stock of such plants is scrap metal 23 from recycled end-of-life vehicles and other recycled products that may contain mercury. Mercury provides no benefit to iron and steel 24 25 manufacturing plants and has no role in the manufacture of iron and 26 steel. Mercury that is not removed from end-of-life vehicles prior to 27 crushing and shredding contaminates the scrap metal and may be 28 released to the environment when the scrap metal is melted during the 29 steel manufacturing process. As a result, iron and steel manufacturing 30 plants are a significant in-State source of mercury emissions. Removing mercury switches from end-of-life vehicles prior to crushing 31 32 and shredding and thus preventing mercury from entering high 33 temperature processes is an effective way to reduce mercury emissions 34 into the environment.

ASSEMBLY ENVIRONMENT AND SOLID WASTE COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2482

with committee amendments

STATE OF NEW JERSEY

DATED: SEPTEMBER 30, 2004

The Assembly Environment and Solid Waste Committee reports favorably and with committee amendments Assembly Bill No. 2482.

As amended by the committee, this bill would create a collection and recovery program for mercury switches removed from end-of-life vehicles in New Jersey, and require vehicle manufacturers, either individually or as part of a group, to develop and submit to the Department of Environmental Protection (DEP) mercury minimization plans within 90 days after enactment of the bill into law.

The mercury minimization plan would address the removal of mercury switches by vehicle recyclers and scrap recycling facilities prior to vehicles being melted down. As amended, the bill defines "mercury switch" as each mercury-containing capsule, commonly known as a "bullet," that is part of a convenience light switch assembly or part of an anti-lock braking system assembly installed in a vehicle, and provides that an anti-lock braking system assembly may contain more than one mercury switch. As part of the plan, manufacturers would provide information on the makes, models and years of vehicles that may have mercury switches, and implement an education and outreach program to assist vehicle recyclers and scrap recycling facilities in undertaking a safe and environmentally sound method for the removal of the mercury switches from end-of-life vehicles. The bill as amended would also require manufacturers to pay a minimum of \$2 for each mercury switch removed by a vehicle recycler or a scrap recycling facility as partial compensation for the labor and other costs incurred by the vehicle recycler or the scrap recycling facility in the removal of mercury switch, and \$0.25 to the DEP for each mercury switch removed as partial compensation for the DEP's administrative and enforcement costs. Manufacturers would also be responsible for the costs of packaging to transport, and shipping of, mercury switches to recycling, storage or disposal facilities, and the recycling, storage or disposal of the mercury switches.

This bill would require vehicle recyclers who sell, give or otherwise convey ownership of end-of-life vehicles to scrap recycling facilities for recycling to remove all mercury switches identified in the mercury minimization plan from end-of-life vehicles prior to delivery to a scrap recycling facility, unless a mercury switch is inaccessible due to significant damage to the vehicle in the area surrounding the location of the mercury switch.

The bill would further provide that a scrap recycling facility may agree to accept an end-of-life vehicle, which has not been intentionally flattened, crushed or baled, containing mercury switches, in which case the scrap recycling facility would be responsible for removing the mercury switches.

Lastly, this bill, notwithstanding any other policies and guidelines for the procurement of vehicles to the contrary, would require the Department of the Treasury to revise its policies, rules and procedures to give priority and preference to the purchase of mercury-free vehicles, taking into consideration competition, price, availability and performance.

COMMITTEE AMENDMENTS

Committee amendments to the bill:

1) clarify the definition of the term "mercury switch";

2) define "vehicle" to mean any passenger car, station wagon, truck, van, or sport utility vehicle with a gross vehicle weight rating of less than 12,000 pounds;

3) clarify the type of information required in a mercury minimization plan;

4) increase from \$1 to \$2 the minimum amount required to be paid by a manufacturer for each mercury switch removed by a vehicle recycler or scrap recycling facility;

5) require every manufacturer of vehicles sold within the State, individually or as part of a group, to provide to vehicle recyclers and scrap recycling facilities containers suitable for storing mercury switches until such time that vehicle recyclers and scrap recycling facilities can be reimbursed;

6) require manufacturers of vehicles sold within the State to provide recyclers or scrap recycling facilities with reimbursement for each mercury switch regardless of when these switches were removed from the vehicles, provided that the vehicle recyclers or scrap recycling facilities record and provide the Vehicle Identification Number (VIN) associated with each mercury switch;

7) require vehicle recyclers and scrap recycling facilities to record the Vehicle Identification Number (VIN) of each vehicle from which mercury switches were removed and record the number of mercury switches removed from each vehicle; and

8) make technical corrections to the bill.

STATEMENT TO

[First Reprint] ASSEMBLY, No. 2482

STATE OF NEW JERSEY

DATED: OCTOBER 21, 2004

The Assembly Appropriations Committee reports favorably Assembly Bill No. 2482 (1R)

Assembly Bill No. 2482 (1R) creates a collection and recovery program for mercury switches removed from end-of-life vehicles in New Jersey, and requires vehicle manufacturers, either individually or as part of a group, to develop and submit to the Department of Environmental Protection (DEP) mercury minimization plans within 90 days after enactment.

The mercury minimization plan addresses the removal of mercury switches by vehicle recyclers and scrap recycling facilities prior to vehicles being melted down.

Manufacturers must provide information on the makes, models and years of vehicles that may have mercury switches, and implement an education and outreach program to assist vehicle recyclers and scrap recycling facilities in undertaking a safe and environmentally sound method for the removal of the mercury switches. The bill also requires manufacturers to pay a minimum of \$2 to a vehicle recycler or a scrap recycling facility for each mercury switch removed and \$0.25 to the DEP for each mercury switch removed to support administrative and enforcement costs. Manufacturers will also be responsible for the costs of packaging to transport, and shipping of, mercury switches to recycling, storage or disposal facilities, and the recycling, storage or disposal of the mercury switches.

FISCAL IMPACT:

It has been estimated that existing DEP staff and resources would be able to carry out implementation and monitoring of this program. The DEP would receive funding from the \$0.25 partial fee and is estimated to be approximately \$125,000 annually paid by manufacturers in total for all switches removed.

STATEMENT TO

[First Reprint] ASSEMBLY, No. 2482

STATE OF NEW JERSEY

DATED: NOVEMBER 15, 2004

The Senate Environment Committee reports favorably Assembly Bill No. 2482 (1R).

This bill would create a collection and recovery program for mercury switches removed from end-of-life vehicles in New Jersey, and require vehicle manufacturers, either individually or as part of a group, to develop and submit to the Department of Environmental Protection (DEP) mercury minimization plans within 90 days after enactment of the bill into law.

The mercury minimization plan would address the removal of mercury switches by vehicle recyclers and scrap recycling facilities prior to vehicles being melted down. The bill defines "mercury switch" as each mercury-containing capsule, commonly known as a "bullet," that is part of a convenience light switch assembly or part of an antilock braking system assembly installed in a vehicle, and provides that an anti-lock braking system assembly may contain more than one mercury switch. As part of the plan, manufacturers would provide information on the makes, models and years of vehicles that may have mercury switches, and implement an education and outreach program to assist vehicle recyclers and scrap recycling facilities in undertaking a safe and environmentally sound method for the removal of the mercury switches from end-of-life vehicles. The bill would also require manufacturers to pay a minimum of \$2 for each mercury switch removed by a vehicle recycler or a scrap recycling facility as partial compensation for the labor and other costs incurred by the vehicle recycler or the scrap recycling facility in the removal of mercury switch, and \$0.25 to the DEP for each mercury switch removed as partial compensation for the DEP's administrative and enforcement costs. Manufacturers would also be responsible for the costs of packaging to transport, and shipping of, mercury switches to recycling, storage or disposal facilities, and the recycling, storage or disposal of the mercury switches.

This bill would require vehicle recyclers who sell, give or otherwise convey ownership of end-of-life vehicles to scrap recycling facilities for recycling to remove all mercury switches identified in the mercury minimization plan from end-of-life vehicles prior to delivery to a scrap recycling facility, unless a mercury switch is inaccessible due to significant damage to the vehicle in the area surrounding the location of the mercury switch.

The bill would further provide that a scrap recycling facility may agree to accept an end-of-life vehicle, which has not been intentionally flattened, crushed or baled, containing mercury switches, in which case the scrap recycling facility would be responsible for removing the mercury switches.

Lastly, this bill, notwithstanding any other policies and guidelines for the procurement of vehicles to the contrary, would require the Department of the Treasury to revise its policies, rules and procedures to give priority and preference to the purchase of mercury-free vehicles, taking into consideration competition, price, availability and performance.

This bill is identical to Senate Bill No. 1292, as amended by the committee.

STATEMENT TO

[First Reprint] ASSEMBLY, No. 2482

STATE OF NEW JERSEY

DATED: FEBRUARY 7, 2005

The Senate Budget and Appropriations Committee reports favorably Assembly Bill No. 2482 (1R).

This bill would create a collection and recovery program for mercury switches removed from end-of-life vehicles in New Jersey, and require vehicle manufacturers, either individually or as part of a group, to develop and submit to the Department of Environmental Protection (DEP) mercury minimization plans within 90 days after enactment of the bill into law.

The mercury minimization plan would address the removal of mercury switches by vehicle recyclers and scrap recycling facilities prior to vehicles being melted down. The bill defines "mercury switch" as each mercury-containing capsule, commonly known as a "bullet," that is part of a convenience light switch assembly or part of an antilock braking system assembly installed in a vehicle, and provides that an anti-lock braking system assembly may contain more than one mercury switch. As part of the plan, manufacturers would provide information on the makes, models and years of vehicles that may have mercury switches, and implement an education and outreach program to assist vehicle recyclers and scrap recycling facilities in undertaking a safe and environmentally sound method for the removal of the mercury switches from end-of-life vehicles. The bill would also require manufacturers to pay a minimum of \$2 for each mercury switch removed by a vehicle recycler or a scrap recycling facility as partial compensation for the labor and other costs incurred by the vehicle recycler or the scrap recycling facility in the removal of mercury switch, and \$0.25 to the DEP for each mercury switch removed as partial compensation for the DEP's administrative and enforcement costs. Manufacturers would also be responsible for the costs of packaging to transport, and shipping of, mercury switches to recycling, storage or disposal facilities, and the recycling, storage or disposal of the mercury switches.

This bill would require vehicle recyclers who sell, give or otherwise convey ownership of end-of-life vehicles to scrap recycling facilities for recycling to remove all mercury switches identified in the mercury minimization plan from end-of-life vehicles prior to delivery to a scrap recycling facility, unless a mercury switch is inaccessible due to significant damage to the vehicle in the area surrounding the location of the mercury switch.

The bill would further provide that a scrap recycling facility may agree to accept an end-of-life vehicle, which has not been intentionally flattened, crushed or baled, containing mercury switches, in which case the scrap recycling facility would be responsible for removing the mercury switches.

Finally, this bill would require the Department of the Treasury, notwithstanding any other policies and guidelines for the procurement of vehicles to the contrary, to revise its policies, rules and procedures to give priority and preference to the purchase of mercury-free vehicles, taking into consideration competition, price, availability and performance.

The provisions of this bill are identical to those of Senate Bill No. 1292 (1R), which the committee also reports this day.

FISCAL IMPACT

It has been estimated that existing DEP staff and resources would be able to carry out implementation and monitoring of this program. The DEP would receive funding from the \$0.25 partial fee and is estimated to be approximately \$125,000 annually paid to the State by manufacturers in total for all switches removed.

LEGISLATIVE FISCAL ESTIMATE [First Reprint] ASSEMBLY, No. 2482 STATE OF NEW JERSEY 211th LEGISLATURE

DATED: NOVEMBER 5, 2004

SUMMARY

Synopsis:	Establishes program for removal of mercury switches from scrapped vehicles.
Type of Impact:	Offsetting expenditure increase and revenue gain in the General Fund.
Agencies Affected:	Department of Environmental Protection

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
State Cost		\$125,000 annually	
State Revenue		\$125,000 annually	

- ! The bill creates a collection and recovery program for mercury switches removed from end-of-life vehicles in New Jersey. Such switches are generally found in light switch assemblies or anti-lock braking systems.
- ! The bill requires vehicle manufacturers to develop a plan to remove mercury switches by vehicle recyclers and scrap recycling facilities prior to vehicles being melted down.
- ! Vehicle manufacturers would be required to compensate vehicle recyclers or scrap recycling facilities for removing mercury switches, and to compensate the Department of Environmental Protection (DEP) for its program costs.
- ! The Office of Legislative Services (OLS) estimates that the annual revenue received by the DEP from vehicle manufacturers under the bill should be sufficient to cover the estimated costs incurred by the department in managing the program.

BILL DESCRIPTION

Assembly Bill No. 2482 (1R) of 2004 creates a collection and recovery program for mercury switches removed from end-of-life vehicles in New Jersey. Vehicle manufacturers are required to develop and submit to the DEP mercury minimization plans within 90 days after the bill's enactment. These plans must

Office of Legislative Services State House Annex P.O. Box 068 Trenton, New Jersey 08625



Legislative Budget and Finance Office Phone (609) 292-8030 Fax (609) 777-2442 www.njleg.state.nj.us address the removal of mercury switches by vehicle recyclers and scrap recycling facilities prior to vehicles being melted down. Manufacturers must provide information on the makes, models and years of vehicles that may have mercury switches, and implement an education and outreach program to assist vehicle recyclers and scrap recycling facilities in undertaking a safe and environmentally sound method for removing them.

The bill also requires manufacturers to pay a minimum of \$2 for each mercury switch removed by a vehicle recycler or a scrap recycling facility, and \$0.25 to the DEP for each mercury switch removed to support the administrative and enforcement costs of this program. Last, the bill requires manufacturers to be responsible for the costs of packaging and shipping mercury switches to recycling, storage or disposal facilities, and for the recycling, storage or disposal of the mercury switches.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The Office of Legislative Services estimates that existing DEP staff and resources will probably be able to carry out many of the program's implementation and monitoring duties. However, the OLS also estimates that the DEP may require up to \$125,000 to fully administer the program as prescribed under the bill. Although this amount conveniently matches the revenue estimate, as described below, it nevertheless should provide the department with adequate funding to meet additional costs that will likely be incurred. The OLS further notes that enforcement efforts under the bill could probably be met by existing department staff and the Attorney General's Office, if necessary.

The revenue estimate of \$125,000 is based on findings collected from a mercury switch data collection pilot program conducted by the department in 2003. The pilot report found that approximately 500,000 vehicles are recycled or shredded in the state annually. It also found that an average of one mercury light switch was removed from each vehicle. Accordingly, if \$0.25 per switch was paid by vehicle manufacturers to the DEP as provided under the bill, then \$125,000 would be accrued annually if one switch per vehicle was removed from 500,000 vehicles each year.

Section:	Environment, Agriculture, Energy and Natural Resources
Analyst:	Richard M. Handelman Senior Fiscal Analyst
Approved:	David J. Rosen Legislative Budget and Finance Officer

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67.

SENATE, No. 1292 STATE OF NEW JERSEY

211th LEGISLATURE

INTRODUCED MARCH 1, 2004

Sponsored by: Senator STEPHEN M. SWEENEY District 3 (Salem, Cumberland and Gloucester) Senator BARBARA BUONO District 18 (Middlesex)

Co-Sponsored by: Senators Adler, Coniglio and Madden

SYNOPSIS

Establishes program for removal of mercury switches from scrapped vehicles.



(Sponsorship Updated As Of: 10/26/2004)

AN ACT concerning mercury in certain vehicles, and supplementing

1

Title 13 of the Revised Statutes.
BE IT ENACTED by the Senate and General Assembly of the State
of New Jersey:
1. This act shall be known and may be cited as the "Mercury
Switch Removal Act of 2004."
2. The Logislature finds and declares that mercury is a persistent.

2. The Legislature finds and declares that mercury is a persistent
 and toxic pollutant that bioaccumulates in the environment and that 41
 states, including New Jersey, have issued fish advisories that warn
 certain individuals to restrict or avoid consuming fish from bodies of
 water contaminated with mercury.

The Legislature further finds and declares that the United States 15 Food and Drug Administration has advised pregnant women and 16 17 women of childbearing age who may become pregnant not to eat 18 shark, swordfish, king mackerel, and tilefish due to methyl mercury contamination, and that according to estimates of the United States 19 20 Environmental Protection Agency, over 600,000 babies are born annually at risk for adverse neuro-developmental effects from in-utero 21 22 exposure to methyl mercury resulting from the consumption of 23 mercury contaminated fish.

The Legislature further finds and declares that recent findings show that historic and current use of mercury in vehicles can cause the release of as much as 10 tons of mercury to the nation's environment each year.

28 The Legislature further finds and declares that the vehicle recycling 29 industry, consisting primarily of small business operators, is a vital 30 component of the State's overall recycling efforts; that iron and steel 31 manufacturers provide a valuable scrap metal recycling service; that 32 reliable estimates indicate that iron and steel manufacturing plants are the largest in-State source of mercury emissions; that the main feed 33 34 stock for these plants is scrap metal which includes shredded 35 end-of-life vehicles, some of which contain mercury in switches that 36 can be emitted to the atmosphere when the scrap metal is melted in 37 high-temperature processes to convert it into new iron and steel products; that mercury provides no benefit to iron and steel 38 39 manufacturing plants and has no role in the manufacture of iron and steel; and that the federal Environmental Protection Agency recently 40 41 finalized regulations that would require certain iron and steel foundries 42 to implement work practice standards to exclude mercury switches 43 from the scrap metal feed materials of these foundries.

The Legislature further finds and declares that, with regard to
mercury emissions, pollution prevention is more desirable than waste
management and pollution control; and that removing mercury

1 switches from end-of-life vehicles before they are crushed or shredded 2 and preventing mercury from entering high temperature processes is 3 an effective way to reduce mercury emissions into the environment. 4 The Legislature further finds and declares that a majority of vehicle 5 manufacturers have responsibly ceased using mercury switches in 6 currently-manufactured vehicles; that over the next decade and beyond 7 millions of vehicles containing mercury switches will be recycled; that 8 vehicle mercury switch collection programs are being established 9 across the country to protect human health and the environment; and 10 that iron and steel foundries, vehicle recyclers and the residents of this State would benefit from a Statewide program that removes mercury 11 12 switches from end-of-life vehicles. 13 The Legislative therefore determines that it is in the public interest 14 of the residents of New Jersey to reduce the quantity of mercury in the 15 environment by removing mercury switches from end-of-life vehicles in New Jersey, by creating a collection and recovery program for 16 mercury switches removed from end-of-life vehicles in New Jersey, 17

and by establishing a system to store the mercury collected and recovered from vehicle mercury switches in the event that environmentally appropriate management technologies are not available.

22

23 3. As used in this act:

24 "Capture rate" means the annual removal, collection, and recovery
25 of mercury switches as a percentage of the total number of mercury
26 switches available for removal from end-of-life vehicles;

27 "Commissioner" means the Commissioner of Environmental28 Protection;

"Department" means the Department of Environmental Protection;
"End-of-life vehicle" means a vehicle that is sold, given or
otherwise conveyed to a vehicle recycler or scrap recycling facility for
the purpose of recycling;

"Manufacturer" means a person, firm, association, partnership,
corporation, governmental entity, organization, combination, or joint
venture which is the last person in the production or assembly process
of a new vehicle that utilizes mercury switches, or in the case of an
imported vehicle, the importer or domestic distributor of the vehicle;
"Mercury minimization plan" means a plan for removing, collecting

and recovering mercury switches from end-of-life vehicles andprepared pursuant to section 4 of this act;

41 "Mercury switch" means any light switch or an anti-lock braking
42 system switch that contains mercury and that is installed by a
43 manufacturer in a vehicle;

44 "Scrap recycling facility" means a fixed location where machinery
45 and equipment are utilized for processing and manufacturing scrap
46 metal into prepared grades and whose principal product is scrap iron,

scrap steel or nonferrous metallic scrap for sale for remelting
 purposes;

"Vehicle" means any passenger automobile or passenger automobile
derivative capable of seating 15 or fewer passengers, or any motor
vehicle rated at 6,000 pounds gross vehicle weight or less and a loaded
vehicle weight of 5,750 pounds or less, which is designed primarily for
purposes of transportation of property, or is a derivative of such motor
vehicle including, but not limited to, pick-ups, vans, and window vans;
and

"Vehicle recycler" means an individual or entity engaged in the
business of acquiring, dismantling or destroying six or more end-of-life
vehicles in a calendar year for the primary purpose of resale of their
parts.

14

4. a. Within 90 days after the effective date of this act, every
manufacturer of vehicles sold within the State, individually or as part
of a group, shall develop, in consultation with the department, a
mercury minimization plan prepared pursuant to this section and
submit the mercury minimization plan to the commissioner for review
and approval pursuant to section 5 of this act.

b. The mercury minimization plan prepared and submitted pursuantto this section shall include, at a minimum, the following:

23 (1) information identifying the make, model, and year of vehicles 24 that may contain a mercury switch; a description of the mercury 25 switch; the location of these mercury switches; and the safe and 26 environmentally sound methods for their removal from end-of-life 27 vehicles. To the extent a manufacturer is uncertain as to the content of a switch installed during the manufacture of a vehicle, the mercury 28 29 minimization plan shall presume that the switch is a mercury switch; 30 (2) educational materials to assist a vehicle recycler or a scrap 31 recycling facility in undertaking a safe and environmentally sound 32 method for the removal of the mercury switches from end-of-life 33 vehicles, including information on the hazards related to, and the

34 proper handling of, mercury;

35 (3) a proposal for the method of storage or disposal of the mercury
36 switches, including the method of packaging and shipping mercury
37 switches to authorized recycling, storage, or disposal facilities; and

(4) a proposal for the storage of mercury switches collected and
recovered from end-of-life vehicles in the event that environmentally
appropriate management technologies are not available; and

41 (5) a plan for implementing and financing the system, in accordance42 with subsection d. of this section.

c. A mercury minimization plan shall, to the extent practicable,
utilize the existing end-of-life vehicle recycling infrastructure. Where
the existing end-of-life vehicle recycling infrastructure is not utilized,
the mercury minimization plan shall include the reasons for establishing

5

1 a separate infrastructure. 2 d. A mercury minimization plan must provide for the financing of 3 the removal, collection, and recovery system for mercury switches as 4 provided in this subsection. These costs shall be borne by the manufacturers of vehicles sold in the State, and the manufacturers shall 5 develop a method that ensures the prompt payment to vehicle 6 recyclers, scrap recycling facilities and the department, for costs 7 8 associated with mercury switch removal and disposal. Costs shall 9 include, but not be limited to, the following: 10 (1) a minimum of \$1 for each mercury switch removed by a vehicle 11 recycler pursuant to subsection a. of section 6 of this act as partial compensation for the labor and other costs incurred by a vehicle 12 13 recycler in the removal of the mercury switch; 14 (2) a minimum of \$1 for each mercury switch removed by a scrap 15 recycling facility pursuant to subsection b. of section 6 of this act as partial compensation for the labor and other costs incurred by a scrap 16 recycling facility in the removal of the mercury switch; 17 (3) \$0.25 for each mercury switch removed by a vehicle recycler 18 pursuant to subsection a. of section 6 of this act or by a scrap 19 20 recycling facility pursuant to subsection b. of section 6 of this act as 21 partial compensation for the department for costs incurred in 22 administering and enforcing the provisions of this act; 23 (4) packaging in which to transport mercury switches to recycling, 24 storage or disposal facilities; 25 (5) shipping of mercury switches to recycling, storage or disposal 26 facilities; 27 (6) recycling, storage or disposal of the mercury switches; 28 (7) the preparation and distribution to vehicle recyclers and scrap 29 recycling facilities of the educational materials required pursuant to 30 paragraph (2) of subsection b. of this section; and (8) maintenance of all appropriate record-keeping systems. 31 32

5. a. Within 120 days after receipt of a mercury minimization plan,
the commissioner shall approve, disapprove, or conditionally approve
the entire mercury minimization plan. The commissioner may solicit
input from representatives of vehicle recyclers, scrap recycling
facilities, and other stakeholders as the commissioner deems
appropriate.

(1) If the entire mercury minimization plan is approved, the
manufacturer shall begin implementation within 30 days after receipt
of approval or as otherwise agreed to by the commissioner. If the
entire mercury minimization plan is disapproved, the commissioner
shall inform the manufacturer as to the reasons for the disapproval.
The manufacturer shall have 30 days thereafter to submit a new
mercury minimization plan.

46 (2) The commissioner may approve those parts of a mercury

6

1 minimization plan that meet the requirements of section 4 of this act 2 and disapprove the parts that do not comply with the requirements of 3 section 4 of this act. The manufacturer shall implement the approved 4 parts within 30 days after receipt of approval or as otherwise agreed to by the commissioner, and submit a revised mercury minimization 5 6 plan for the disapproved parts within 30 days after receipt of notification of the disapproval of the commissioner. The 7 8 commissioner shall review, and approve, conditionally approve, or 9 disapprove a revised mercury minimization plan within 30 days after 10 receipt.

11 (3) If, at the conclusion of the time period of 120 days after receipt 12 of a mercury minimization plan, the commissioner has neither 13 approved nor disapproved the mercury minimization plan pursuant to 14 paragraphs (1) or (2) of this subsection, the mercury minimization plan 15 shall be considered to be conditionally approved. A manufacturer, subject to any modifications required by the commissioner, shall 16 implement a conditionally effective mercury minimization plan within 17 30 days after receipt of approval or as otherwise agreed to by the 18 19 commissioner.

20 b. The commissioner shall reserve the right to complete, at the 21 conclusion of a time period 240 days after the date of enactment of 22 this act, on behalf of a manufacturer, any portion of a mercury 23 minimization plan that has not been approved pursuant to this section. c. The commissioner may review a mercury minimization plan 24 25 approved pursuant to this section and recommend modifications 26 thereto at any time upon a finding that the approved mercury 27 minimization plan is deficient.

28

29 6. a. Commencing 30 days after the approval or conditional 30 approval of a mercury minimization plan pursuant to section 5 of this 31 act, a vehicle recycler who sells, gives or otherwise conveys ownership 32 of an end-of-life vehicle to a scrap recycling facility for recycling shall 33 remove all mercury switches identified in the approved mercury 34 minimization plan from the end-of-life vehicle prior to delivery to a scrap recycling facility, unless a mercury switch is inaccessible due to 35 significant damage to the vehicle in the area surrounding the location 36 37 of the mercury switch, in which case such damage shall be noted on 38 the normal business records of the vehicle recycler who delivered the 39 end-of-life vehicle to the scrap recycling facility.

b. Notwithstanding subsection a. of this section, a scrap recycling
facility may agree to accept an end-of-life vehicle, which has not been
intentionally flattened, crushed or baled, containing mercury switches,
in which case the scrap recycling facility shall be responsible for
removing the mercury switches identified in the mercury minimization
plan approved pursuant to section 5 of this act before the end-of-life
vehicle is intentionally flattened, crushed, baled, or shredded.

c. A vehicle recycler or scrap recycling facility who removes
 mercury switches pursuant to subsection a. or subsection b. of this
 section shall maintain records documenting the number of mercury
 switches collected, the number of end-of-life vehicles containing
 mercury switches, and the number of end-of-life vehicles processed for
 recycling. These records shall be made available for review by the
 department upon the request of the department.

8 d. No person shall represent that mercury switches have been 9 removed from an end-of-life vehicle being sold, given or otherwise 10 conveyed for recycling if that person has not removed the mercury 11 switches, or arranged with another person to remove the mercury 12 switches.

e. Upon removal, mercury switches shall be collected, stored,
transported, and otherwise handled in accordance with the mercury
minimization plan approved pursuant to section 5 of this act.

f. Upon removal, mercury switches shall be collected, stored,
transported, and otherwise handled in accordance with the provisions
of the rules and regulations concerning universal waste adopted by the
department pursuant to the "Solid Waste Management Act," P.L.1970,
c.39 (C.13:1E-1 et seq.) and the "New Jersey Statewide Mandatory
Source Separation and Recycling Act," P.L.1987, c.102
(C.13:1E-99.11 et al.), as applicable.

23

24 7. a. One year after the implementation of a mercury minimization 25 plan approved pursuant to section 5 of this act, and annually 26 thereafter, a manufacturer subject to section 4 of this act shall, 27 individually or as part of a group, report to the commissioner 28 concerning the implementation of the mercury minimization plan. The 29 report shall include, but need not be limited to, the following: (1) a 30 detailed description and documentation of the capture rate achieved, 31 with the goal of achieving a mercury switch capture rate of at least 90 32 percent, consistent with the principle that mercury switches shall be 33 recovered unless the mercury switch is inaccessible due to significant 34 damage to the end-of-life vehicle in the area surrounding where the mercury switch is located; (2) a description of additional or alternative 35 actions that may be implemented to improve the mercury minimization 36 37 plan and its implementation in the event that a mercury switch capture 38 rate of at least 90 percent is not achieved; (3) the number of mercury 39 switches collected, the number of end-of-life vehicles containing 40 mercury switches, the number of end-of-life vehicles processed for 41 recycling, and a description of how the mercury switches were 42 managed; and (4) a description of the amounts paid to cover the costs 43 of implementing the mercury minimization plan.

b. The commissioner may discontinue the requirement for the
annual report pursuant to subsection a. of this section upon a finding
that mercury switches in end-of-life vehicles no longer pose a

1 2	significant threat to the environment or to public health.
2	8 a Whenever the commissioner finds that a person has violated
	8. a. Whenever the commissioner finds that a person has violated
4	any provision of this act, or any rule or regulation adopted pursuant
5	thereto, the commissioner may:
6	(1) issue an order requiring the person found to be in violation to
7	comply in accordance with subsection b. of this section;
8	(2) bring a civil action in accordance with subsection c. of this
9	section;
10	(3) levy a civil administrative penalty in accordance with subsection
11	d. of this section;
12	(4) bring an action for a civil penalty in accordance with subsection
13	e. of this section; or
14	(5) petition the Attorney General to bring a criminal action in
15	accordance with subsection f. of this section.
16	Pursuit of any of the remedies specified under this section shall not
17	preclude the seeking of any other remedy specified.
18	b. Whenever the commissioner finds that a person has violated this
19	act, or any rule or regulation adopted pursuant thereto, the
20	commissioner may issue an order specifying the provision or
21	provisions of this act, or the rule or regulation adopted pursuant
22	thereto, of which the person is in violation, citing the action that
23	constituted the violation, ordering abatement of the violation, and
24	giving notice to the person of the person's right to a hearing on the
25	matters contained in the order. The ordered person shall have 20
26	calendar days from receipt of the order within which to deliver to the
27	commissioner a written request for a hearing. After the hearing and
28	upon finding that a violation has occurred, the commissioner may issue
29	a final order. If no hearing is requested, the order shall become final
30	after the expiration of the 20-day period. A request for hearing shall
31	not automatically stay the effect of the order.
32	c. The commissioner may institute an action or proceeding in the
33	Superior Court for injunctive and other relief to enforce the provisions
34	of this act and to prohibit and prevent a violation of this act, or of any
35	rule or regulation adopted pursuant thereto, and the court may
36	proceed in the action in a summary manner. In any such proceeding
37	the court may grant temporary or interlocutory relief.
38	Such relief may include, singly or in combination:
38 39	
39 40	 (1) a temporary or permanent injunction; (2) assessment of the violator for the reasonable costs of any
	(2) assessment of the violator for the reasonable costs of any
41	inspection that led to the establishment of the violation, and for the
42	reasonable costs of preparing and litigating the case under this
43	subsection.
44	d. The commissioner may assess a civil administrative penalty of
45	not more than \$7,500 for a first offense, not more than \$10,000 for a

46 second offense and not more than \$25,000 for a third and every

9

subsequent offense. Each day that a violation continues shall
 constitute an additional, separate, and distinct offense.

3 No assessment may be levied pursuant to this section until after the 4 violator has been notified by certified mail or personal service. The notice shall include a reference to the section of the statute, rule, 5 6 regulation, or order violated, a concise statement of the facts alleged 7 to constitute a violation, a statement of the amount of the civil 8 administrative penalties to be imposed, and a statement of the person's 9 right to a hearing. The ordered person shall have 20 calendar days 10 from receipt of the notice within which to deliver to the commissioner 11 a written request for a hearing.

After the hearing and upon finding that a violation has occurred, the 12 13 commissioner may issue a final order after assessing the amount of the 14 fine specified in the notice. If no hearing is requested, the notice shall 15 become a final order after the expiration of the 20-day period. Payment of the assessment is due when a final order is issued or the 16 notice becomes a final order. The authority to levy a civil 17 administrative penalty is in addition to all other enforcement provisions 18 19 in this act, and the payment of any assessment shall not be deemed to 20 affect the availability of any other enforcement provisions in 21 connection with the violation for which the assessment is levied. The 22 commissioner may compromise any civil administrative penalty 23 assessed under this section in an amount the commissioner determines 24 appropriate.

e. A person who violates this act, or any rule or regulation adopted
pursuant thereto, shall be liable for a penalty of not more than \$7,500
per day, to be collected in a civil action commenced by the
commissioner.

A person who violates an administrative order issued pursuant to subsection b. of this section, or a court order issued pursuant to subsection c. of this section, or who fails to pay an administrative assessment in full pursuant to subsection d. of this section is subject upon order of a court to a civil penalty not to exceed \$50,000 per day of each violation.

Any penalty imposed pursuant to this subsection may be collected, with costs, in a summary proceeding pursuant to the "Penalty Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.). The Superior Court and the municipal court shall have jurisdiction to enforce the provisions of the "Penalty Enforcement Law of 1999" in connection with this act.

f. A person who willfully or negligently violates this act shall be
guilty, upon conviction, of a crime of the fourth degree and shall be
subject to a fine of not less than \$2,500 nor more than \$25,000 per day
of violation. A second offense under this subsection shall subject the
violator to a fine of not less than \$5,000 nor more than \$50,000 per
day of violation. A person who knowingly makes a false statement,

1 representation, or certification in any application, record, or other 2 document filed or required to be maintained under this act, or who 3 falsifies, tampers with or knowingly renders inaccurate, any monitoring 4 device or method required to be maintained pursuant to this act, shall, upon conviction, be subject to a fine of not more than \$10,000. 5 6 7 9. Notwithstanding any other policies and guidelines for the 8 procurement of vehicles to the contrary, the Department of the 9 Treasury shall, within one year after the effective date of this act, 10 revise its policies, rules and procedures to give priority and preference 11 to the purchase of vehicles that do not contain mercury, taking into consideration competition, price, availability and performance. 12 13 14 10. This act shall take effect immediately. 15 16 17 **STATEMENT** 18 19 This bill would create a collection and recovery program for 20 mercury switches removed from scrapped vehicles in New Jersey, and 21 require vehicle manufacturers, either individually or as part of a group, 22 to develop and submit to the Department of Environmental Protection 23 (DEP) mercury minimization plans within 90 days of the effective date 24 of this bill. 25 The mercury minimization plan would address the removal of 26 mercury switches, i.e., any light switch or an anti-lock braking system 27 switch that contains mercury and that is installed by a manufacturer in 28 a vehicle, by vehicle recyclers prior to vehicles being melted down. As 29 part of the plan, manufacturers would provide information on the 30 makes, models and years of vehicles that may have mercury switches, 31 and implement an education and outreach program to assist vehicle 32 recyclers and scrap recycling facilities in undertaking a safe and environmentally sound method for the removal of the mercury 33 34 switches from end-of-life vehicles. The bill would also require manufacturers to pay a minimum of \$1 for each mercury switch 35 removed by a vehicle recycler or a scrap recycling facility as partial 36 compensation for the labor and other costs incurred by the vehicle 37 38 recycler or the scrap recycling facility in the removal of mercury 39 switch, and \$0.25 to the DEP for each mercury switch removed as 40 partial compensation for the DEP's administrative and enforcement 41 costs. Manufacturers would also be responsible for the costs of 42 packaging to transport, and shipping of, mercury switches to recycling, 43 storage or disposal facilities, and the recycling, storage or disposal of 44 the mercury switches;

45 This bill would require vehicle recyclers who sell, give or otherwise convey ownership of end-of-life vehicles to scrap recycling facilities 46

1 for recycling to remove all mercury switches identified in the mercury

2 minimization plan from end-of-life vehicles prior to delivery to a scrap

3 recycling facility, unless a mercury switch is inaccessible due to

4 significant damage to the vehicle in the area surrounding the location

5 of the mercury switch.

6 The bill would further provide that a scrap recycling facility may 7 agree to accept an end-of-life vehicle, which has not been intentionally 8 flattened, crushed or baled, containing mercury switches, in which case 9 the scrap recycling facility would be responsible for removing the 10 mercury switches.

Lastly, this bill, notwithstanding any other policies and guidelines for the procurement of vehicles to the contrary, would require the Department of the Treasury to revise its policies, rules and procedures to give priority and preference to the purchase of mercury-free vehicles, taking into consideration competition, price, availability and performance.

This bill is modeled on legislation enacted by the State of Maine in2001.

Mercury is a persistent and toxic pollutant that bioaccumulates in
the environment. Forty-one states, including New Jersey, have issued
fish advisories that warn certain individuals to restrict or avoid
consuming fish from bodies of water contaminated with mercury.

23 Iron and steel manufacturing plants provide a valuable scrap metal recycling service. A primary feed stock of such plants is scrap metal 24 25 from recycled end-of-life vehicles and other recycled products that 26 may contain mercury. Mercury provides no benefit to iron and steel 27 manufacturing plants and has no role in the manufacture of iron and 28 steel. Mercury that is not removed from end-of-life vehicles prior to 29 crushing and shredding contaminates the scrap metal and may be 30 released to the environment when the scrap metal is melted during the 31 steel manufacturing process. As a result, iron and steel manufacturing 32 plants are a significant in-State source of mercury emissions. 33 Removing mercury switches from end-of-life vehicles prior to crushing 34 and shredding and thus preventing mercury from entering high temperature processes is an effective way to reduce mercury emissions 35 36 into the environment.

SENATE ENVIRONMENT COMMITTEE

STATEMENT TO

SENATE, No. 1292

with committee amendments

STATE OF NEW JERSEY

DATED: NOVEMBER 15, 2004

The Senate Environment Committee reports favorably and with committee amendments Senate Bill No. 1292.

As amended by the committee, this bill would create a collection and recovery program for mercury switches removed from end-of-life vehicles in New Jersey, and require vehicle manufacturers, either individually or as part of a group, to develop and submit to the Department of Environmental Protection (DEP) mercury minimization plans within 90 days after enactment of the bill into law.

The mercury minimization plan would address the removal of mercury switches by vehicle recyclers and scrap recycling facilities prior to vehicles being melted down. As amended, the bill defines "mercury switch" as each mercury-containing capsule, commonly known as a "bullet," that is part of a convenience light switch assembly or part of an anti-lock braking system assembly installed in a vehicle, and provides that an anti-lock braking system assembly may contain more than one mercury switch. As part of the plan, manufacturers would provide information on the makes, models and years of vehicles that may have mercury switches, and implement an education and outreach program to assist vehicle recyclers and scrap recycling facilities in undertaking a safe and environmentally sound method for the removal of the mercury switches from end-of-life vehicles. The bill as amended would also require manufacturers to pay a minimum of \$2 for each mercury switch removed by a vehicle recycler or a scrap recycling facility as partial compensation for the labor and other costs incurred by the vehicle recycler or the scrap recycling facility in the removal of mercury switch, and \$0.25 to the DEP for each mercury switch removed as partial compensation for the DEP's administrative and enforcement costs. Manufacturers would also be responsible for the costs of packaging to transport, and shipping of, mercury switches to recycling, storage or disposal facilities, and the recycling, storage or disposal of the mercury switches.

This bill would require vehicle recyclers who sell, give or otherwise convey ownership of end-of-life vehicles to scrap recycling facilities for recycling to remove all mercury switches identified in the mercury minimization plan from end-of-life vehicles prior to delivery to a scrap recycling facility, unless a mercury switch is inaccessible due to significant damage to the vehicle in the area surrounding the location of the mercury switch.

The bill would further provide that a scrap recycling facility may agree to accept an end-of-life vehicle, which has not been intentionally flattened, crushed or baled, containing mercury switches, in which case the scrap recycling facility would be responsible for removing the mercury switches.

Lastly, this bill, notwithstanding any other policies and guidelines for the procurement of vehicles to the contrary, would require the Department of the Treasury to revise its policies, rules and procedures to give priority and preference to the purchase of mercury-free vehicles, taking into consideration competition, price, availability and performance.

COMMITTEE AMENDMENTS

Committee amendments to the bill:

1) clarify the definition of the term "mercury switch";

2) define "vehicle" to mean any passenger car, station wagon, truck, van, or sport utility vehicle with a gross vehicle weight rating of less than 12,000 pounds;

3) clarify the type of information required in a mercury minimization plan;

4) increase from \$1 to \$2 the minimum amount required to be paid by a manufacturer for each mercury switch removed by a vehicle recycler or scrap recycling facility;

5) require every manufacturer of vehicles sold within the State, individually or as part of a group, to provide to vehicle recyclers and scrap recycling facilities containers suitable for storing mercury switches until such time that vehicle recyclers and scrap recycling facilities can be reimbursed;

6) require manufacturers of vehicles sold within the State to provide recyclers or scrap recycling facilities with reimbursement for each mercury switch regardless of when these switches were removed from the vehicles, provided that the vehicle recyclers or scrap recycling facilities record and provide the Vehicle Identification Number (VIN) associated with each mercury switch;

7) require vehicle recyclers and scrap recycling facilities to record the VIN of each vehicle from which mercury switches were removed and record the number of mercury switches removed from each vehicle; and

8) make technical corrections to the bill.

The Committee amendments make this bill identical to Assembly Bill No. 2482 (1R).

STATEMENT TO

[First Reprint] SENATE, No. 1292

STATE OF NEW JERSEY

DATED: FEBRUARY 7, 2005

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 1292 (1R).

This bill would create a collection and recovery program for mercury switches removed from end-of-life vehicles in New Jersey, and require vehicle manufacturers, either individually or as part of a group, to develop and submit to the Department of Environmental Protection (DEP) mercury minimization plans within 90 days after enactment of the bill into law.

The mercury minimization plan would address the removal of mercury switches by vehicle recyclers and scrap recycling facilities prior to vehicles being melted down. The bill defines "mercury switch" as each mercury-containing capsule, commonly known as a "bullet," that is part of a convenience light switch assembly or part of an antilock braking system assembly installed in a vehicle, and provides that an anti-lock braking system assembly may contain more than one mercury switch. As part of the plan, manufacturers would provide information on the makes, models and years of vehicles that may have mercury switches, and implement an education and outreach program to assist vehicle recyclers and scrap recycling facilities in undertaking a safe and environmentally sound method for the removal of the mercury switches from end-of-life vehicles. The bill would also require manufacturers to pay a minimum of \$2 for each mercury switch removed by a vehicle recycler or a scrap recycling facility as partial compensation for the labor and other costs incurred by the vehicle recycler or the scrap recycling facility in the removal of mercury switch, and \$0.25 to the DEP for each mercury switch removed as partial compensation for the DEP's administrative and enforcement costs. Manufacturers would also be responsible for the costs of packaging to transport, and shipping of, mercury switches to recycling, storage or disposal facilities, and the recycling, storage or disposal of the mercury switches.

This bill would require vehicle recyclers who sell, give or otherwise convey ownership of end-of-life vehicles to scrap recycling facilities for recycling to remove all mercury switches identified in the mercury minimization plan from end-of-life vehicles prior to delivery to a scrap recycling facility, unless a mercury switch is inaccessible due to significant damage to the vehicle in the area surrounding the location of the mercury switch.

The bill would further provide that a scrap recycling facility may agree to accept an end-of-life vehicle, which has not been intentionally flattened, crushed or baled, containing mercury switches, in which case the scrap recycling facility would be responsible for removing the mercury switches.

Finally, this bill would require the Department of the Treasury, notwithstanding any other policies and guidelines for the procurement of vehicles to the contrary, to revise its policies, rules and procedures to give priority and preference to the purchase of mercury-free vehicles, taking into consideration competition, price, availability and performance.

The provisions of this bill are identical to those of Assembly Bill No. 2482 (1R), which the committee also reports this day.

FISCAL IMPACT

It has been estimated that existing DEP staff and resources would be able to carry out implementation and monitoring of this program. The DEP would receive funding from the \$0.25 partial fee and is estimated to be approximately \$125,000 annually paid to the State by manufacturers in total for all switches removed.

LEGISLATIVE FISCAL ESTIMATE [First Reprint] SENATE, No. 1292 STATE OF NEW JERSEY 211th LEGISLATURE

DATED: FEBRUARY 18, 2005

SUMMARY

Synopsis:	Establishes program for removal of mercury switches from scrapped vehicles.
Type of Impact:	Offsetting expenditure increase and revenue gain in the General Fund.
Agencies Affected:	Department of Environmental Protection

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
State Cost		\$125,000 annually	
State Revenue		\$125,000 annually	

- ! The bill creates a collection and recovery program for mercury switches removed from endof-life vehicles in New Jersey. Such switches are generally found in light switch assemblies or anti-lock braking systems.
- ! The bill requires vehicle manufacturers to develop a plan to remove mercury switches by vehicle recyclers and scrap recycling facilities prior to vehicles being melted down.
- ! Vehicle manufacturers would be required to compensate vehicle recyclers or scrap recycling facilities for removing mercury switches, and to compensate the Department of Environmental Protection (DEP) for its program costs.
- ! The Office of Legislative Services (OLS) estimates that the annual revenue received by the DEP from vehicle manufacturers under the bill should be sufficient to cover the estimated costs incurred by the department in managing the program.

BILL DESCRIPTION

Senate Bill No. 1292 (1R) of 2004 creates a collection and recovery program for mercury switches removed from end-of-life vehicles in New Jersey. Vehicle manufacturers are required to develop and submit to the DEP mercury minimization plans within 90 days after the bill's enactment. These plans must address the removal of mercury switches by vehicle recyclers and



scrap recycling facilities prior to vehicles being melted down. Manufacturers must provide information on the makes, models and years of vehicles that may have mercury switches, and implement an education and outreach program to assist vehicle recyclers and scrap recycling facilities in undertaking a safe and environmentally sound method for removing them.

The bill also requires manufacturers to pay a minimum of \$2 for each mercury switch removed by a vehicle recycler or a scrap recycling facility, and \$0.25 to the DEP for each mercury switch removed to support the administrative and enforcement costs of this program. Last, the bill requires manufacturers to be responsible for the costs of packaging and shipping mercury switches to recycling, storage or disposal facilities, and for the recycling, storage or disposal of the mercury switches.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS estimates that existing DEP staff and resources will probably be able to carry out many of the program's implementation and monitoring duties. However, the OLS also estimates that the DEP may require up to \$125,000 to fully administer the program as prescribed under the bill. Although this amount conveniently matches the revenue estimate, as described below, it nevertheless should provide the department with adequate funding to meet additional costs that will likely be incurred. The OLS further notes that enforcement efforts under the bill could probably be met by existing department staff and the Attorney General's Office, if necessary.

The revenue estimate of \$125,000 is based on findings collected from a mercury switch data collection pilot program conducted by the department in 2003. The pilot report found that approximately 500,000 vehicles are recycled or shredded in the state annually. It also found that an average of one mercury light switch was removed from each vehicle. Accordingly, if \$0.25 per switch was paid by vehicle manufacturers to the DEP as provided under the bill, then \$125,000 would be accrued annually if one switch per vehicle was removed from 500,000 vehicles each year.

Section:	Environment, Agriculture, Energy and Natural Resources
Analyst:	Richard M. Handelman Senior Fiscal Analyst
Approved:	David J. Rosen Legislative Budget and Finance Officer

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67.

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Acting Governor Codey Signs Bill Reducing Mercury Emissions

Rules Call for Program to Remove Mercury Switches from Vehicles

(BURLINGTON CITY) – Acting Governor Richard J. Codey today signed A2482, legislation that helps reduce in-state mercury emissions by establishing a program to remove mercury switches from vehicles prior to melting them for scrap metal. This new program will address one of New Jersey's largest remaining sources of mercury contamination.

"Today, New Jersey takes another important step to improve the health of our citizens and protect our environment from mercury," said Codey. "The switch removal program will lower the exposure of pregnant women and children to harmful mercury emissions, reduce the levels of mercury that build up in fish caught by our local fishermen, and aid the state's iron and steel melters in complying with New Jersey's mercury regulations."

Despite ceasing to use mercury switches in cars sold in Europe as early as 1992, auto manufacturers continued to install switches containing mercury in convenience lights and anti-lock braking systems in vehicles sold in the United States prior to 2003.

The bill requires all scrap yards to remove mercury switches from vehicles before sending the scrap metal to iron and steel mills, where the mercury would otherwise be released into the air when the vehicles are melted down and recycled. New Jersey joins Maine and Arkansas to become only the third state in the nation to have mandatory collection and recovery programs for mercury switches.

Today's bill signing took place at U.S. Pipe Company in Burlington City, one of the state's oldest iron and steel melters. Joining Codey for the event were Senator Stephen M. Sweeney and Assemblyman John J. Burzichelli, leading sponsors of the bill and Department of Environmental Protection (DEP) Commissioner Bradley M. Campbell.

The new law was sponsored by Assemblymen Burzichelli, Reed Gusciora, John F. McKeon, and Senators Sweeney and Barbara Buono. It was co-sponsored by Assemblyman Robert M. Gordon and Assemblywoman Loretta Weinberg and Senators John H. Adler, Joseph Coniglio and Fred H. Madden. The bill also received significant support from a coalition of business leaders, environmental groups, public health advocates, and fishing groups. "Mercury poisoning can cause serious health problems, especially in pregnant women and their unborn children," said Senator Sweeney (D-Gloucester, Cumberland and Salem). "Removing these switches from scrapped vehicles will help prevent mercury from leaking into local water supplies and damaging the health of New Jersey's residents."

"When a car is retired to the junkyard, it is stripped of its parts and melted down to recycle the steel," said Assemblyman Burzichelli (D-Gloucester). "But its batteries, gasoline, freon, oil and transmission fluid are extracted before it is melted to ensure that these environmental hazards are not released into the air. It is just common sense to require that any mercury in a vehicle also gets removed."

Under the legislation, the vehicle recyclers or scrap yards will receive a minimum of \$2 from the major auto manufacturers for each switch they remove. The auto manufacturers also are responsible for establishing a program for the safe final disposal of the switches.

The approximately 500,000 vehicles that are scrapped per year in New Jersey may contain as much as 1000 pounds of mercury, much of which is likely to be released to the environment when the shredded vehicles are melted down. Since auto manufacturers stopped using mercury switches in the U.S. in 2003, the number of switches to be removed will gradually decline over the next ten years.

This new legislation further bolsters New Jersey's national leadership in reducing mercury emissions. Last year, New Jersey adopted some of the most comprehensive regulations in the nation for limiting mercury emissions from coal-fired power plants, iron and steel melters, and municipal solid waste incinerators. Those rules will reduce in-state mercury emissions by over 1,500 pounds annually.

"Once again, New Jersey has taken a national leadership role in protecting the health of our residents and reducing contamination in our environment," said Commissioner Campbell. "New Jersey's proactive approach stands in marked contrast to the federal government's failure to protect the public, as evidenced by the EPA's recent mercury rules that delay by more than a generation reductions in nationwide mercury emissions."

Mercury is a highly toxic pollutant. Exposure to the most toxic form of mercury comes primarily from eating contaminated fish and shellfish. Children and pregnant women are especially susceptible to mercury contamination, which can cause permanent brain damage to the fetus, infants, and young children. Mercury exposure has been shown to affect the ability of children to concentrate and to remember.

Even exposure to low levels of mercury can permanently damage the brain and nervous system and cause behavioral changes. At least one in 10 pregnant women in New Jersey have concentrations of mercury in their hair samples that exceed safe levels.