



OFFICE OF THE GOVERNOR

OCT 08 2021

To the Members of the California State Assembly:

I am signing Assembly Bill 707 which modifies the existing Mercury Thermostat Collection Program by requiring mercury thermostat manufacturers to contract with a qualified third party to develop and implement a recast thermostat collection program under the supervision of the Department of Toxic Substances Control (DTSC). Manufacturers will be required to pay DTSC for its reasonable regulatory costs, with a \$400,000 annual cap through 2028. However, the Legislature must appropriate the departments' funding through the annual budget process. While AB 707 makes significant improvements to the mercury thermostat collection program, the timing of DTSC's responsibilities in 2022 and the approval of the 2022-23 Budget Act do not align, resulting in unfunded mandates on the department.

In signing this bill, I recognize that the proposed changes improve the existing program and implementation should not be delayed. I appreciate the collaboration to address improper disposal of mercury thermostats, and request the author and manufacturers continue working with my office and DTSC to ensure that both the department is funded for its work and the necessary clean-up legislation is pursued for outstanding concerns.

Sincerely,

Gavin Newsom

