
Environment & Energy Committee

HB 1550

Brief Description: Improving the end-of-life management of electric vehicle batteries.

Sponsors: Representatives Street, Doglio, Mena, Hunt, Ramel, Berry, Reed, Duerr, Gregerson, Kloba, Paul, Parshley, Callan, Taylor, Ormsby, Pollet, Santos, Scott, Macri and Hill.

<p style="text-align: center;">Brief Summary of Bill</p> <ul style="list-style-type: none">• Requires producers of propulsion batteries used in road vehicles to develop and implement a plan for the collection and management of used batteries.

Hearing Date: 2/10/25

Staff: Jacob Lipson (786-7196).

Background:

Solid Waste Management.

Under the state's solid waste management laws, local governments are the primary government entity responsible for implementing state solid waste management requirements. The Department of Ecology (Ecology) also has certain roles in overseeing the administration of solid waste management laws. Ecology is responsible for working cooperatively with local governments as they develop their local solid waste management plans. County and city solid waste management plans are required to contain certain elements, including a waste reduction and recycling element.

The Legislature has enacted laws that require the establishment of extended producer responsibility or product stewardship (EPR) programs for the management of six types of products: (1) electronic products; (2) light bulbs that contain mercury; (3) photovoltaic solar

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panels; (4) pharmaceuticals; (5) paint; and (6) batteries. In general, the state's EPR programs require producers to participate in a stewardship organization or program that is responsible for the collection, transport, and end-of-life management of products covered by each program. Ecology is responsible for the oversight of the state's EPR programs, with the exception of the Pharmaceutical Stewardship Program, which is overseen by the Department of Health.

The 2023 Battery Extended Producer Responsibility Law.

The battery EPR law was enacted in 2023 (2023 battery EPR law), and applies primarily to portable batteries and medium-format batteries, which are defined based on their weight and watt-hour rating. Portable battery producers must participate in and fund a stewardship organization to implement a stewardship plan for the post-consumer management of their batteries, beginning in 2027. The same obligations apply to producers of medium-format batteries beginning in 2029.

Large-format batteries, with a weight of at least 25 pounds or a rating of 2,000 watt-hours, are excluded from the stewardship organization plan implementation requirements that apply to producers of portable and medium-format batteries under the 2023 battery EPR law. However, large-format batteries are subject to the same labeling requirements applicable to portable and medium-format batteries under the 2023 battery EPR law:

- Beginning in 2028, large-format batteries must be marked with an identification of the battery's producer.
- Beginning in 2030, large-format batteries must be marked with proper labeling to ensure collection and recycling, by identifying the chemistry of the battery and that the battery should not be disposed of as household waste.

The 2023 battery EPR law also required Ecology to research electric vehicle (EV) batteries and provide a report with recommendations to the Legislature in 2024. Ecology's 2024 report included three primary recommendations, including:

- providing training, education, and resources to first responders, second responders, and automotive recyclers related to EV batteries;
- determining who should have financial responsibility and liability for EV batteries; and
- forming a Washington State EV battery management task force with stakeholders to address policy needs.

Vehicle Battery Recycling Program.

Since 1989, Ecology has been authorized to implement and enforce a Vehicle Battery Recycling Program that is separate from the 2023 battery EPR law. Batteries covered by the Vehicle Battery Recycling Program include batteries with a core of elemental lead that are capable of use in any vehicle, truck, boat, airplane, or utility vehicle, and capable of producing 6 or more volts. The Vehicle Battery Recycling Program prohibits the disposal of covered batteries except by delivery to a person selling lead acid batteries, Ecology-authorized collectors, or to a secondary lead smelter. The retail sale of each vehicle battery must include in the price of a battery sale a core charge of at least \$5, which is applied unless the purchaser offers the seller an equivalent used battery. People that sell vehicle batteries at retail in Washington must accept used vehicle

batteries from a battery purchaser at the time of purchase of a replacement battery, and must post notices to inform customers of certain requirements of the Vehicle Battery Recycling Program.

Summary of Bill:

By January 1, 2026, producers of batteries used to supply power to propel an electric or hybrid road vehicle (propulsion battery) must register with Ecology, and must begin reporting specified battery sales information to Ecology in 2027.

By June 1, 2027, Ecology must adopt rules establishing standards and criteria for management plans for propulsion batteries. By January 1, 2028, each producer of propulsion batteries must individually or as part of a group of producers, develop and submit a propulsion battery management plan for producers to be responsible for the collection and management of used batteries offered for return to the producer by the current battery owner. The producers responsible for the end-of-life management of propulsion batteries are specified to include one of the following:

- the vehicle or battery manufacturer;
- a propulsion battery remanufacturer or repurposer;
- the licensee of the brand or trademark under which a vehicle is sold or distributed into Washington;
- the importer of a propulsion battery or a vehicle containing a propulsion battery; or
- a distributor of a propulsion battery.

The specific person assigned responsibility as the producer depends on whether a propulsion battery is embedded in a vehicle, and the specifics of the vehicle or propulsion battery's path of introduction into commerce in Washington. If an organization is formed to allow a group of producers to implement a combined plan, the organization must be a tax-exempt nonprofit organization, and submit an annual audit report and annual budget to Ecology.

The plans of propulsion battery producers must provide for financing of the collection, transportation, remanufacturing, reuse, recycling, or disposal of used propulsion batteries, and may include a complete vehicle return program, a propulsion battery return program, or other program approved by Ecology. Each plan must include, at minimum:

- methods for accepting and transporting used propulsion batteries or complete vehicles;
- processes and methods used to remanufacture, repurpose, or recycle propulsion batteries;
- a strategy for informing vehicle owners, repair facilities, and dismantlers regarding propulsion battery management requirements;
- methods used to implement and finance the plan; and
- other information deemed appropriate by Ecology.

Propulsion battery plans must be reviewed and updated at least every five years, or as necessary. Persons covered by the battery management plan, including repair facilities, dismantlers, recyclers, scrapyard, dealerships, showrooms, and car lots, must be required to manage batteries under the plan. Ecology must approve or deny a plan within 90 days of receipt, and a producer

must implement the plan within 90 days of Ecology approval of a plan. Processes are specified for additional review, approval, and implementation of any plan components deemed initially insufficient by Ecology.

Persons seeking to discard an unwanted propulsion battery may deliver the battery or vehicle to a location designated by the producer of the battery, a vehicle recycler authorized by Ecology to manage used propulsion batteries that complies with plan requirements, or an authorized propulsion battery recycler that receives mandatory safety training. Producers of propulsion batteries may not refuse to recover a used propulsion battery that it has manufactured, branded, imported, or embedded into a product, other than remanufactured batteries, if collected from a location or through a mechanism specified in its plan.

Ecology must post on its website each propulsion battery management plan and list of each identifying producer participating in the plan, and maintain a public list of producers that are not complying with battery management requirements. Ecology must also create a forum for filing consumer complaints. Producers must provide consumers with educational materials about the plan and propulsion battery collection services.

Ecology may adopt rules as necessary to implement battery management requirements. Producers registered with Ecology must submit a one-time payment by September 1, 2026 to cover Ecology's oversight costs through June 30, 2027, and must pay annual fees to cover Ecology's oversight costs beginning in May, 2027. Ecology may enter propulsion battery recycling or producer facilities to determine compliance. Ecology may impose civil penalties of up to \$1,000 per violation per day for violations of propulsion battery management requirements or up to \$10,000 per violation per day for repeated violations. Penalties may be appealed to the Pollution Control Hearings Board, and collected penalties must be deposited in the Model Toxics Control Operating Account.

Beginning January 1, 2028, a producer may not sell propulsion batteries, including batteries embedded in a vehicle, that do not include a permanent label providing information about the battery. Propulsion batteries are excluded from the requirements of the 1989 Vehicle Battery Recycling Program and most of the requirements of the 2023 battery EPR law, but remain covered by the 2023 battery EPR law's labeling and marking requirements.

Beginning June 1, 2029, solid waste collection companies and solid waste handling facilities are prohibited from knowingly accepting for disposal propulsion batteries or propulsion battery modules or cells.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.