# SENATE BILL REPORT SB 5045

## As of January 21, 2025

**Title:** An act relating to expanding the state battery stewardship program to include electric vehicle batteries.

**Brief Description:** Expanding the state battery stewardship program to include electric vehicle batteries.

**Sponsors:** Senators Wilson, J., Dozier, Christian, McCune, Holy, Boehnke, Schoesler, Fortunato, Hasegawa and Wellman.

#### **Brief History:**

**Committee Activity:** Environment, Energy & Technology: 1/22/25.

## **Brief Summary of Bill**

- Includes electric vehicle (EV) batteries in the existing state battery stewardship program beginning January 1, 2029.
- Exempts EV batteries from certain solid waste management laws relating to lead acid batteries used in vehicles.
- Retains the Department of Ecology's existing authority under the Hazardous Waste Management Act.

## SENATE COMMITTEE ON ENVIRONMENT, ENERGY & TECHNOLOGY

**Staff:** Matt Shepard-Koningsor (786-7627)

**Background:** Extended Producer Responsibility and Product Stewardship Programs. The Legislature has enacted laws establishing extended producer responsibility or product stewardship programs for the management of six types of products: (1) electronic products; (2) mercury-containing light bulbs; (3) photovoltaic solar panels; (4) pharmaceuticals; (5) paint; and (6) batteries.

Senate Bill Report - 1 - SB 5045

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<u>Battery Stewardship Program.</u> *Generally.* In 2023, the Legislature passed a law creating a product stewardship program (program) for batteries, which is overseen by the Department of Ecology (Ecology). The program requires battery producers to participate in and fund a Battery Stewardship Organization (BSO). A BSO must create a statewide collection system for certain portable batteries, by January 1, 2027, and medium format batteries, by January 1, 2029 (covered batteries). Portable batteries include, in part, batteries used in phones, laptops, and flashlights. Medium format batteries include, in part, batteries used in certain mobility devices, such as electric bikes, and other heavier batteries.

Other batteries are exempted from program coverage, including, in part, some batteries contained in medical devices, lead-acid batteries weighing more than 11 pounds, batteries covered by the Vehicle Battery Recycling Program, and batteries contained in products that are not easily accessible.

Battery Stewardship Plan. The program requires a BSO to submit a battery stewardship plan (plan) to Ecology by July 1, 2026, describing how the program will operate, including:

- participating producers;
- transporters, processors, and disposal facilities to be used;
- program funding;
- performance goals;
- consumer outreach; and
- · safety procedures.

If required by Ecology, a BSO must submit a new plan for approval under the following circumstances:

- if there are significant changes to the methods of collection, transport, end-of-life management of covered batteries not provided for in the plan;
- to address the novel inclusion of medium- or large-format batteries as covered batteries; and
- no less than every five years.

Beginning January 1, 2027, a producer not participating in a BSO and plan may not sell covered batteries or battery-containing products in or into Washington.

Collection Requirements. A BSO implementing a plan must provide for the collection of all covered batteries, including all chemistries and brands of covered batteries, on a free, continuous, convenient, visible, and accessible basis. This includes providing suitable collection containers segregated from other solid waste. Medium format batteries and damaged and defective batteries may only be collected at household hazardous waste collection sites or other sites staffed by certified individuals. Other specific statewide collection opportunities apply for BSOs managing covered batteries.

Marking Requirements. Beginning January 1, 2028, a producer or retailer may only sell a

large format battery, covered battery, or battery-containing product that contains a battery designed or intended to be easily removeable from the product, if the battery is marked to identify the battery producer; and beginning January 1, 2030, marked to identify the battery chemistry and indicating the battery should not be disposed of as household waste.

*Disposal Requirements*. Beginning January 1, 2027, for portable batteries and July 1, 2029, for medium format batteries, or the first date on which an approved plan is implemented, all persons must dispose of unwanted covered batteries through one of the following disposal methods:

- disposal using the collection sites established by, or included in, a plan;
- for covered batteries generated by certain regulated parties under state or federal hazardous or solid waste laws, disposal in a manner consistent with the requirements of those laws; or
- disposal using local government collection facilities that collect batteries consistent with plan requirements.

Assessment of Large Format Batteries and Other Batteries. By July 1, 2027, Ecology must complete an assessment of the opportunities and challenges associated with the end-of-life management of batteries that are not covered batteries, including large format batteries, lead-acid batteries weighing more than 11 pounds, batteries contained in medical devices that are not designed and marketed for personal use, and embedded batteries.

Large format battery means a rechargeable battery weighing more than 25 pounds or has a rating of more than 2000 watt-hours, or a battery weighing more than 25 pounds that is unable to be recharged.

<u>Electric Vehicle Battery Management Study.</u> The legislation establishing the program also required Ecology to research the management of EV batteries and provide recommendations to the Legislature in a final report. Ecology submitted this final report in April 2024, with the following broad recommendations:

- provide EV battery training, education, and resources to first responders, second responders, and automotive recyclers;
- · determine who should have financial responsibility and liability for EV batteries; and
- form a Washington State EV Battery Management Task Force with a broad set of stakeholders to address mid- and long-term policy needs.

<u>Ecology Rulemaking.</u> Ecology is currently adopting rules to implement the program, which it expects to be completed by fall 2025.

Other States. In 2024, New Jersey passed the Electric and Hybrid Vehicle Battery Management Act (Act). The Act requires producers of certain propulsion batteries used in electric and hybrid vehicles to create battery management plans, providing for the management of the batteries. The battery management plans must be submitted to the New Jersey Department of Environmental Protection.

Vehicle Battery Recycling Program. Under state solid waste laws, Ecology implements and enforces a Vehicle Battery Recycling Program (VBRP). Batteries covered by the VBRP include batteries with a core of elemental lead capable of use in any vehicle, truck, boat, airplane, or utility vehicle, and capable of producing six or more volts. The VBRP prohibits the disposal of specified batteries except by delivery to a person selling lead acid batteries, Ecology-authorized collectors, or to a secondary lead smelter. When sold at retail, these batteries must include a core charge of at least \$5, which is applied unless the purchaser offers the seller an equivalent used battery. Individuals selling vehicle batteries at retail must accept used vehicle batteries from a battery purchaser at the time of a replacement battery purchase.

<u>Hazardous Waste Management Act.</u> Under the Hazardous Waste Management Act (HWMA) and the implementing dangerous waste regulations, Ecology requires certain waste generators to properly dispose of waste at approved dangerous waste management sites or facilities. Waste generators must identify their wastes based on certain characteristics, such as corrosiveness, ignitability, toxicity, and reactivity. According to Ecology, all dangerous waste batteries can be managed as universal waste, requiring the proper storage, labeling, tracking, and recycling in some cases. Other requirements apply to large generators.

**Summary of Bill:** Battery Stewardship Program. New Terms. "Electric vehicle" means a vehicle that derives all or part of its power from electricity supplied by the electric grid and has a battery or equivalent storage device that can be charged from an electricity supply external to the vehicle with an electric plug, which includes a plug-in hybrid vehicle. "EV battery" means a rechargeable battery used to power the electric motors that propel an electric vehicle, which includes, in part, lithium-ion batteries and nickel-metal hydride batteries.

Amended Terms. EV batteries are included as covered batteries in the program beginning January 1, 2029. EVs are excluded from the term battery-containing product and EV batteries are excluded from the term large format battery.

Battery Stewardship Plan. The BSO must submit a plan for EV batteries to Ecology within two years of the date of the initial adoption of Ecology's rules on the program. If required by Ecology, a BSO must submit a new plan for approval to address the novel inclusion of EV batteries as covered batteries under the plan.

Beginning January 1, 2029:

- each producer selling, making available for sale, or distributing EV batteries must participate in and fund a BSO; and
- a retailer may not sell, offer for sale, distribute, or otherwise make available for sale an EV battery unless the producer certifies to the retailer that the producer participates in a BSO whose plan has been approved by Ecology.

Collection Requirements. EV batteries are excluded from the collection requirements applying to other covered batteries in the program and separate collection requirements are outlined. Each BSO must provide consistent and convenient statewide collection opportunities for EV batteries as designated in an approved plan, which may include, but are not limited to, opportunities to discard, deliver, or otherwise arrange for the collection and delivery of an unwanted EV battery or a damaged or defective EV battery to:

- a location designated in the plan;
- an authorized EV battery recycler to handle, transport, and properly manage used EV batteries, under certain conditions; or
- an authorized EV battery transporter to transport used EV batteries to either location above.

BSOs are not required to provide for the collection of EV batteries still contained in an EV.

"Authorized EV battery recycler" means an entity or facility authorized by Ecology or an equivalent agency in another state to collect, sort, separate, and refine the elemental components of end-of-life EV batteries, or battery materials, and to refine the components back to usable battery chemicals. "Authorized EV battery transporter" means a person authorized, under a plan, to transport EV batteries for the purpose of recycling.

"Damaged or defective EV battery" means an EV battery that has been damaged or identified by the manufacturer as being defective for safety reasons, that has the potential of producing a dangerous evolution of heat, fire, or short circuit.

Marking Requirements. Beginning January 1, 2029, any person who remanufacturers or repurposes an EV battery must relabel the battery in accordance with rules adopted by Ecology prior to selling, distributing, or offering the electric vehicle battery in or into Washington. "Remanufacture" means any repair or modification to an EV battery resulting in the complete battery, or any modules or cells of the battery, being used for the same purpose or application as originally designed. "Repurpose" means any operations to an EV battery resulting in the complete battery, or any modules or cells of the battery, being used for a different purpose or application than originally designed for.

*Disposal Requirements*. Beginning January 1, 2029, or the first date on which an approved plan is implemented, all persons must dispose of EV batteries through one of the following disposal methods:

- disposal using the collection sites established by, or included in, a plan;
- for covered batteries generated by certain regulated parties under state or federal hazardous or solid waste laws, disposal in a manner consistent with requirements of those laws; or
- disposal using local government collection facilities that collect batteries consistent with plan requirements.

<u>Vehicle Battery Recycling Program.</u> The term vehicle battery in the VBRP is amended to exclude an EV battery.

<u>Hazardous Waste Management Act.</u> Nothing in the state laws relating to the program repeals, limits, or alters Ecology's authority under the HWMA.

Other. Legislative intent language is provided, referencing the inclusion of EV batteries in the program.

Appropriation: None.

Fiscal Note: Requested on January 20, 2025.

**Creates Committee/Commission/Task Force that includes Legislative members:** No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Senate Bill Report - 6 - SB 5045