Date of Hearing: June 17th, 2025

ASSEMBLY COMMITTEE ON ENVIRONMENTAL SAFETY AND TOXIC MATERIALS
Damon Connolly, Chair
SB 615 (Allen) – As Amended May 23, 2025

SENATE VOTE: 28-6

SUBJECT: Vehicle traction batteries

SUMMARY: Requires battery suppliers to ensure the responsible end-of-life management of a vehicle traction battery under specified circumstances; adhere to a battery management hierarchy set forth in the bill; fully fund the cost of collection of a vehicle traction battery for which they are responsible for; and report specified information about the sale, transfer, or receipt of vehicle traction batteries to the Department of Toxic Substances Control (DTSC). Requires DTSC to adopt regulations to implement and enforce the requirements of this bill. Specifically, **this bill**:

1) States that it is the policy of the State of California that any program designed to ensure proper end-of-life management of vehicle traction batteries first strives to reuse, repair, or remanufacture vehicle traction batteries when possible; when that is not possible, the program shall ensure that vehicle traction batteries are either repurposed or recycled; when a vehicle traction battery is no longer used in any application, the program shall ensure that vehicle batteries are recycled; and, disposal of these vehicle traction batteries should be discouraged and ultimately eliminated in support of achieving a circular economy.

2) Defines "battery management hierarchy" as a hierarchy of battery management wherein the entity in possession of the battery shall first strive to reuse, repair, or remanufacture the battery when possible and cost effective. Specifies that when that is not possible or cost effective, that entity shall ensure that the battery is either repurposed or recycled. Specifies that if a battery can no longer be cost-effectively used in any application, that entity shall ensure the battery is recycled.

3) Defines "battery supplier" as all of the following:

    a) A person who initially sells, offers for sale, or distributes a vehicle traction battery into the state, including a vehicle manufacturer licensed pursuant to Section 11701 of the Vehicle Code, or a vehicle traction battery manufacturer, who sells, offers for sale, or distributes a vehicle traction battery in or into the state under the person's own name or brand;

    b) If there is no vehicle manufacturer licensed pursuant to Section 11701 of the Vehicle Code, or no other person in the state who is the battery supplier for purposes mentioned above, the battery supplier is the owner or exclusive licensee of a brand or trademark under which the vehicle traction battery is sold or distributed into the state, whether or not the trademark is registered;

    c) If there is no person in the state who is the battery supplier for purposes mentioned above, the battery supplier is the person that imports the vehicle traction battery into the state for sale, distribution, or installation; and,

d) If there is no other person in the state who is the battery supplier for the purpose mentioned above, the battery supplier is the distributor, retailer, dealer, or wholesaler who sells the vehicle traction battery in or into the state.

4) Provides that "battery supplier" does not include a secondary handler who sells, offers for sale, or distributes a vehicle traction battery in or into the state.

5) Defines "orphaned battery" as a vehicle traction battery for which the battery supplier, owner, or manufacturer cannot be identified or is no longer doing business.

6) Defines "qualified battery recycler" as an entity or facility that is certified by DTSC, abides by all applicable federal, state, and local laws, and does either of the following:

   a) Collects, sorts, separates, and refines the components of an end-of-life traction battery's materials and refines the components back to usable battery intermediary components or battery chemicals such as cobalt sulfate, lithium salts, and nickel sulfates, or

   b) Extracts and separates a composition of components such as aluminum, cobalt, copper, graphite, iron, lithium compounds, manganese, and nickel, and sends the material for further processing or refining to another battery recycler.

7) Defines "recycle" or "recycling" as the process of collecting, sorting, cleansing, treating, and reconstituting materials that would otherwise ultimately be disposed of onto land or into water or the atmosphere, and returning them to, or maintaining them within, the economic mainstream in the form of recovered material for new, reused, or reconstituted products that meet the quality standards necessary to be used in the marketplace.

8) Provides that recycle or recycling does not include any of the following:

   a) Smelting, which for the purposes of this bill means to melt or fuse a metalliferous mineral, often with an accompanying chemical change, usually to separate the metal;

   b) Energy generation;

   c) Fuel production; or,

   d) Other forms of disposal.

9) Defines "remanufacturing" as the process of refurbishing a battery, battery cells, or battery modules through the replacement of worn or deteriorated components to same-as-new, or better, condition and performance for use in the same application as the one for which the battery was originally designed.

10) Defines "repurposing" as any operation to a vehicle traction battery that results in the complete battery, or any battery modules or battery cells thereof, being used to fulfill a different use than the one for which the battery was originally designed, such as secondary use.

11) Defines "responsible end-of-life management" as ensuring a vehicle traction battery that is eligible to be recycled pursuant to the battery management hierarchy is ultimately sent to a

qualified battery recycler. This may include initial processing by secondary handlers if the material is ultimately sent to a qualified battery recycler.

12) Defines "secondary handler" as any commercial entity, other than the vehicle manufacturer or a secondary user, that takes possession of a vehicle traction battery permanently removed from the vehicle or that permanently removes a vehicle traction battery from the vehicle for purposes, including, but not limited to, repairing, remanufacturing, and recycling. Specifies that this may include, but is not limited to, automobile dismantlers and automotive repair dealers.

13) Defines "secondary user" as an entity that repurposes a vehicle traction battery to fulfill a different use than what was originally intended.

14) Defines "vehicle traction battery" as an advanced battery technology used as a traction battery to propel a motor vehicle that is required to be registered pursuant the requirements for the registration of vehicles and certificates of tile (commencing with Section 4000 of Division 3 of the Vehicle Code), including the battery modules and battery cells that comprise a battery. Specifies that this definition does not include a "lead-acid battery," as defined in Section 25215.1 and does not include any battery less than seven kilowatthours.

15) Requires a battery supplier to do the following:

    a) Ensure the responsible end-of-life management of a vehicle traction battery under the following circumstances:

        i) A vehicle traction battery is removed from a vehicle that is still in service, while the vehicle traction battery is still under warranty, pursuant to state and federal laws, and,

        ii) A vehicle traction battery is offered or returned to its battery supplier;

    b) Adhere to the battery management hierarchy for a vehicle traction battery in their possession;

    c) Report information regarding the sale, transfer, or receipt of a vehicle traction battery or battery module to the DTSC;

    d) Fully fund the cost of collection of a vehicle traction battery for which they are required to ensure responsible end-of-life management; and,

    e) Ensure battery state of health data that is easily interpretable and accessible to secondary handlers and secondary users, either while the vehicle traction battery is inside the vehicle or, if feasible, once it has been removed.

16) Requires a secondary user to do all of the following:

    a) Adhere to the battery management hierarchy;

    b) If the vehicle traction battery has been removed from the secondary application to which the vehicle traction battery has been used and is at the end of its useful life, do either of the following:

i) Ensure the responsible end-of-life management for a vehicle traction battery, or,

ii) Return a vehicle traction battery to the battery supplier if the secondary user is in a contractual relationship with the original battery supplier, which provides for the retention of responsibility for the end-of-life management of the vehicle traction battery by the primary battery supplier; and,

c) Report information regarding the sale, transfer, or receipt of a vehicle traction battery or battery module to DTSC.

17) Requires a secondary handler in possession of a battery that has been removed from the vehicle to:

a) Adhere to the battery management hierarchy;
b) Ensure the responsible end-of-life management of the vehicle traction battery or return the vehicle traction battery to a battery supplier; and,
c) Report information regarding the sale, transfer, or receipt of a vehicle traction battery or battery module to DTSC.

18) Requires, no later than July 1, 2028, DTSC, to adopt regulations to implement and enforce this bill.

19) Requires the regulations to include:

a) A method and form for battery suppliers, secondary users, secondary handlers, auctioneers, salvage disposal auctions, and qualified battery recyclers to annually report, to DTSC, information on a vehicle traction battery, or the individual battery module if these component are removed from a vehicle traction battery before receipt by a qualified battery recycler;

b) A process and criteria for determining how DTSC will assign costs for implementing this bill to each battery recycler;

c) A process for certifying a qualified battery recycler by facility, including an appeals process, a reasonable standard of review, and the ability for entities to cure identified deficiencies and be reevaluated for certification;

d) When determining the requirements for a qualified battery recycler, encourage recycling that minimizes the generation of hazardous waste, the generation of greenhouse gases, environmental impacts, environmental justice impacts, and public health impacts; and,

e) Criteria to exclude recycling technologies that produce significant amounts of hazardous waste.

20) Requires, annually, DTSC to publicly post on their internet website aggregated data on the disposition of vehicle traction batteries removed from vehicles, including data on the number of vehicle traction batteries sold or distributed for reusing, remanufacturing, repurposing, and recycling. Prohibits DTSC from disclosing proprietary or confidential information.

21) Requires, no later than 30 days after the effective date of the regulations adopted by DTSC, each battery supplier to provide to DTSC, the battery supplier's contact information, including their name, physical and mailing address, email address, and telephone number, and a list of vehicle traction battery types and brands of vehicle traction batteries that the battery supplier sells, distributes for sale, imports for sale, or offers for sale in or into the state.

22) Prohibits a battery supplier from selling, offering for sale, importing, or distributing a vehicle traction battery in the state unless the vehicle traction battery has been reported to DTSC.

23) Requires, within four months of the effective date of the regulations implementing this bill, DTSC to notify the battery supplier of the estimated regulatory costs, which includes the full personnel costs, as related to implementing and enforcing this bill.

24) Requires a battery supplier to, on a schedule determined by DTSC, pay DTSC's actual and reasonable regulatory costs to implement and enforce this bill.

25) Authorizes, upon appropriation by the Legislature, the Director of the Department of Finance to make a loan from the Greenhouse Gas Reduction Fund to the Vehicle Traction Battery Recovery Fund to meet the regulatory and startup costs of DTSC's activities to implement this bill.

26) Requires a battery supplier, secondary user, secondary handler, or qualified battery recycler to do both of the following:

    a) Upon request, provide DTSC with reasonable and timely access, as determined by DTSC, to its facilities and operations, as necessary to determine compliance with this bill, and,

    b) Upon request, within 14 days, provide DTSC with relevant records, as determined by DTSC, necessary to determine compliance with this bill.

27) Requires DTSC to conduct a study to determine whether there is evidence of abandonment of orphaned batteries leading to environmental or health and safety hazards and analyze any trends in the prevalence of stranded batteries. Requires DTSC to, on or before January 1, 2030, and every five years thereafter, post a report on its internet website with its findings on orphaned batteries.

28) Requires DTSC to revise the regulations it adopted to implement this bill in order to include requirements for battery suppliers and secondary users to address the issue of orphaned batteries if determined necessary by DTSC.

29) Requires, within 12 months of the effective date of the regulations adopted by DTSC and on or before July 1 of each year thereafter, DTSC to publish on its internet website a list of the names of battery suppliers that are compliant with the requirements of this bill.

30) Prohibits a retailer, dealer, importer, or distributor from selling, distributing, offering for sale, or importing a vehicle traction battery, manufactured on or after the publishing of the most recent list of compliant battery suppliers, unless the battery supplier of the vehicle traction battery is listed as a compliant battery supplier.

31) Authorizes DTSC to impose civil or administrative penalties for violations of this bill under its authority within the hazardous waste control law.

EXISTING LAW:

1) Establishes the federal Resource Conservation and Recovery Act (RCRA) to authorize the United States Environmental Protection Agency (US EPA) to manage hazardous and non-hazardous wastes throughout its life cycle. (42 United States Code (U.S.C.) § 6901 et seq.)

2) Creates the Hazardous Waste Control Law (HWCL) and provides DTSC with responsibility for overseeing the management of hazardous waste in California. (Health and Safety Code (HSC) § 25100 et seq).

3) Prohibits the disposal of a lead-acid battery at a solid waste facility, or on or in any land, surface waters, watercourses, or marine waters. (HSC § 25215.2)

4) Establishes the Lead-Acid Battery Recycling Act of 2016 to impose fees on lead-acid batteries to fund lead contamination cleanup. (HSC § 25215)

5) Enacts the Responsible Battery Recycling Act of 2022, which requires producers of covered household batteries to establish a stewardship program for the collection and recycling of covered batteries. (Public Resources Code (PRC) § 42420 et seq.).

6) Requires the Secretary for Environmental Protection to convene the Lithium-Ion Car Battery Recycling Advisory Group to review and advise the Legislature on policies pertaining to the recovery and recycling of lithium-ion (Li-ion) batteries sold with motor vehicles in the state, and requires the Secretary to appoint members to the group from specified departments, vocations, and organizations. (PRC § 42450.5)

FISCAL EFFECT: Unknown.

COMMENTS:

Need for the bill: According to the author:

> "California is home to the fastest growing electric vehicle (EV) market in the nation. However, as the number of EVs on the road increases and the market matures, so does the number of EV batteries reaching the end of their useful life. California is beginning to see piecemeal development of a market and infrastructure designed to capture the value imbedded in these batteries once removed from a vehicle; including high-value critical materials such as lithium, cobalt, nickel, natural graphite, and manganese. Recycling batteries to capture this material reduces demand for raw materials, thereby avoiding the negative social and environmental impacts of mining, and potentially catalyzing a domestic supply as demand for critical materials increases. However, our nascent system relies on the expectation that the value of the material will drive proper management. California lacks a policy framework to encourage reuse, repair, and repurposing, or ensure that batteries are recycled when no longer useful. SB 615 will establish a program to ensure EV batteries are properly managed at every stage of their lives, including mechanisms to hold producers

accountable for end-of-life management, and establish clear responsibilities for entities throughout the value chain."

California Hazardous Waste Control Law (HWCL): The HWCL is the state's program that implements and enforces federal hazardous waste law in California and directs DTSC to oversee and implement the state's HWCL. Any person who stores, treats, or disposes of hazardous waste must obtain a permit from DTSC. The HWCL covers the entire management of hazardous waste, from the point that hazardous waste is generated to management, transportation, and ultimately disposal of waste into a state or federally-authorized facility.

There are approximately 80,000 entities that generate hazardous waste in California. Waste generators are responsible for determining whether a waste is hazardous or non-hazardous and disposing of the waste accordingly. In California, a hazardous waste is a solid, liquid, or contained gaseous waste with properties that make it potentially harmful to human health or the environment. The criteria for classifying a waste as a hazardous waste are regulated at both the state and federal levels. Specifically, a waste is identified as hazardous if it appears on one of five regulatory lists, or if it exhibits toxicity, corrosivity, reactivity, and/or ignitability.

Universal waste: Universal wastes are hazardous wastes that are widely produced by households and many different types of businesses. Universal wastes include televisions, computers, other electronic devices, batteries, fluorescent lamps, mercury thermostats, and other mercury containing equipment, among others. Lithium-ion vehicle traction batteries can be managed as a universal waste.

California's Universal Waste Rule allows individuals and businesses to transport, handle, and recycle certain common hazardous wastes, termed universal wastes, in a manner that differs from the requirements for most hazardous wastes. The more relaxed requirements for managing universal wastes were adopted to ensure that they are managed safely and are not disposed of in the trash. The universal waste requirements are also less complex and easier to comply with, thereby increasing compliance.

Product stewardship (stewardship): Product stewardship, also known as Extended Producer Responsibility (EPR), is a strategy to place a shared responsibility for end-of-life product management on the producers, and all entities involved in the product chain, instead of the general public. Product stewardship encourages product design changes that minimize negative impacts on human health and the environment at every stage of the product's lifecycle. This allows the costs of treatment and disposal to be incorporated into the total cost of a product. It places primary responsibility on the producer, or brand owner, who makes design and marketing decisions. It also creates a setting for markets to emerge that truly reflect the environmental impacts of a product, and to which producers and consumers respond.

Regulation of batteries: The HWCL prohibits the disposal of batteries in the trash or household recycling collection bins intended to receive other non-hazardous waste and/or recyclable materials. Many types of batteries, regardless of size, exhibit hazardous characteristics and are considered hazardous waste when they are discarded. These include single use alkaline and lithium batteries and rechargeable lithium metal, nickel cadmium, and nickel metal hydride batteries of various sizes (AAA, AA, C, D, button cell, 9-Volt, and small sealed lead-acid batteries).

All batteries in California that are intended for disposal must be recycled, or taken to a household hazardous waste disposal facility, a universal waste handler (e.g., a storage facility or broker), or an authorized recycling facility.

EPR program for household batteries: In 2022, AB 2240 (Irwin, Chapter 351, Statutes of 2022) enacted the Responsible Battery Recycling Act of 2022, which requires producers of covered household batteries to establish a stewardship program for the collection and recycling of covered batteries. This EPR program for household batteries is currently being implemented.

This bill: SB 615 is designed to deal with the collection and management of vehicle traction batteries.

Li-ion batteries: Li-ion batteries, widely used in portable electronics like laptops, smart phones, digital cameras, game consoles, and cordless power tools, are also widely used as vehicle batteries in zero emission vehicles (ZEVs).

Fire risks: Because Li-ion batteries contain hazardous and corrosive materials, they also pose a fire risk if not stored or disposed of properly. Therefore, any program to manage used Li-ion batteries needs to account for this possible fire risk.

Zero emission vehicles (ZEVs): "Zero emission vehicle," or "ZEV," is an umbrella term for hydrogen fuel cell EVs, battery EVs, and plug-in hybrid EVs (PHEVs). ZEVs are vehicles that emit no exhaust gas from the onboard source of power, hence the term "zero emission."

Value of ZEVs to California goals: California has some of the most ambitious climate emission reduction goals in the nation, which include goals to reduce petroleum use in California by up to 50% from 2015 levels by 2030, and reducing greenhouse gas emissions to 40% below 1990 levels by 2030. The transportation sector represents about 40% of California's total greenhouse gas emissions portfolio, so promoting ZEVs, and replacing traditional gas-powered cars with ZEVs, are very big parts of California's mission to reduce climate emissions.

Li-ion battery waste: According to a presentation to DTSC from Occupational Knowledge International at a DTSC workshop in 2017, it is estimated by 2028, roughly 8 million kilotons of waste Li-ion batteries from ZEVs are expected to be generated; by 2038, the estimate is 55 million kilotons.

Collection rates today: It is unknown how many Li-ion batteries are being collected for recycling, reuse, or repurposing.

Market for Li-ion batteries: End-of-life management of Li-ion automotive batteries is still nascent, but, theoretically, they could be collected under universal rules for recycling, reuse, or potentially even refurbishment. If there is a market for reusing Li-ion and cobalt, recycling these automotive batteries could prove to be lucrative.

Lithium-ion Car Battery Recycling Advisory Group (Advisory Group): In 2018, AB 2832 (Dahle, Chapter 822, Statutes of 2018) required the convening of the Lithium-Ion Battery (LIB) Recycling Advisory Group, whose mandate included submission of policy recommendations to the Legislature to ensure "that as close to 100% as possible of lithium-ion batteries in the state are reused or recycled at end-of-life."

The Advisory Group was convened and met quarterly between fall of 2019 and spring of 2022. The Advisory Group heard from 26 experts from industry, academia, and government agencies. Advisory Group members also participated in subcommittees to identify barriers and opportunities and develop policy recommendations specific to three key processes for end-of-life (EOL) LIBs: recycling, reuse and repurposing, and logistics. Each subcommittee explored different barriers and opportunities and put forward proposals for policies.

Based on the proposed policy options and their barriers and opportunities that emerged from subcommittees, further deliberation by the whole Advisory Group yielded a final list of proposed policies. Policies were divided into those that define EOL management responsibilities, and supporting policies that help achieve the goal of maximizing reuse and recycling of EOL EV LIBs in a cost-effective manner.

At the November and December 2021 Advisory Group meetings, the members voted on each policy proposal. Policy proposals that received at least majority support from voting members of the Advisory Group were released as recommended policies.

Recommended policies of the Advisory Group: Two policy proposals that define EOL management responsibility rose to the level of majority support of the Advisory Group members: core exchange with a vehicle backstop, and producer take-back. These policies complement, and do not replace, current warranty regulations and programs that require the vehicle manufacturer to properly reuse, repurpose, or recycle a removed EOL battery that is still under warranty. The core exchange and vehicle backstop policy garnered the most support from the Advisory Group at 93% of voting members. It builds on existing industry standards and policies for other vehicle components, specifically a core exchange and product take-back.

The other policy proposal that received majority support at 67% of those that voted is a producer take-back policy, wherein the auto manufacturer is responsible for ensuring proper repurposing, reuse, or recycling of its EV traction batteries by a licensed facility at no cost to the consumer, if and when they are no longer wanted by the owner, and in the event that no other entity has taken possession of the battery. Auto manufacturer responsibility initiates when the auto manufacturer has been notified the battery has reached its EOL and is available to be properly managed. If the battery is repurposed, the EOL responsibility transfers to the repurposing company. This responsibility includes arranging reverse logistics to transport the batteries to recycling hubs; being responsible for the recycling costs; and documenting the proper disposal of the battery.

To ensure that the maximum amount of EOL batteries are reused, repurposed or recycled, the Advisory Group's recommended policies focus on two main areas of need: clearly defining responsibility for the coordination and payment of recycling in cases where the cost presents a burden for the owner of the vehicle and the LIB is unwanted; and, mitigating barriers that may currently inhibit the reuse, repurposing, and recycling of EV LIBs.

Widely supported policies that address more specific barriers include labeling and digital identifier requirements, supporting the development of recycling facilities through incentive packages and a guaranteed permitting timeline, supporting the enforcement of unlicensed dismantling laws, and supporting the development of strategic collection and sorting infrastructure to reduce transportation costs. The Advisory Group also recommended creating

training programs to ensure that the people who handle EOL vehicles have the skills they need to safely work with EVs and assist them in navigating regulatory requirements.

US EPA Guidance Memo on Lithium Battery Recycling: On May 24, 2023, the US EPA issued a memo titled, "Lithium Battery Recycling Regulatory Status and Frequently Asked Questions," which stated:

> "The purpose of this memorandum is to clarify how the hazardous waste regulations for universal waste and recycling apply to lithium-ion batteries. The proportion of electric cars powered by lithium-ion batteries on the road is rising rapidly; lithium-ion batteries also power our electronics and, increasingly, lawnmowers, e-scooters, electric bicycles, and many other devices. The growth of the circular economy for lithium battery materials is vital as the focus turns to how to eventually manage lithium-ion batteries at the end of their lives. Recycling lithium-ion batteries returns valuable critical minerals to the economy, both conserving resources and reducing the overall energy use needed to produce new batteries.
>
> Recent interest in the regulation and management of lithium-ion batteries at end of life has prompted the EPA to examine specifically how universal waste handling requirements, hazardous waste recycling regulations, and other RCRA Subtitle C provisions apply to this waste stream. Today the Agency is clarifying that most lithium-ion batteries are likely hazardous waste at end of life and that they can be managed under the streamlined hazardous waste management standards for universal waste until they reach a destination facility for recycling or discard. The frequently asked questions attached to this memorandum also describe how RCRA recycling regulations apply to lithium-ion batteries. EPA encourages the recycling of lithium-ion batteries wherever possible in a manner that protects communities and the environment. By clarifying how battery recycling is regulated, [the Office of Resource Conservation and Recovery] hopes to both remove uncertainties for the states and industry about the regulatory status of these materials and processes and to ensure that this critical step in the circular economy is done safely and compliantly. Throughout this memorandum, when we refer to batteries, we mean lithium-ion batteries.
>
> Despite all these variations, EPA has determined that most lithium-ion batteries on the market today are likely to be hazardous waste when they are disposed of due to the ignitability and reactivity characteristics. Fires at end of life are common and mismanagement and damage to batteries make them more likely.
>
> Safe recycling of lithium-ion batteries at end of life conserves the critical minerals and other valuable materials that are used in batteries and is a more sustainable approach than disposal. Lithium-ion battery recycling is frequently a multi-step process."

By allowing universal waste rules to apply instead of full hazardous waste requirements, US EPA's guidance on Li-ion batteries could greatly aid the collection of these batteries for recycling.

Recent legislation vetoed by the Governor: In 2024, SB 615 (Allen), which would have setup a program for the collection and management of vehicle traction batteries, was vetoed by Governor Gavin Newsom. In the veto message the Governor stated:

"This bill would require that all electric vehicle (EV) batteries in the state be reused, repaired, repurposed, or remanufactured, and eventually recycled at the end of their useful life. The Department of Toxic Substances Control (DTSC) would be responsible for adopting regulations to implement and enforce the bill's requirements, and for establishing a method for EV battery suppliers, secondary users, secondary handlers, and qualified facilities to report EV battery transactions.

I agree with the intent of this bill and the need to responsibly manufacture, recycle, and reuse EV batteries. As California continues to lead the revolution toward a zero-emission transportation future, with a requirement that all new vehicles sold in the state be zero-emission by 2035, responsibly tracking the sale, use, and reuse of these vehicle batteries will be critical. Effective EV battery stewardship also presents an exciting opportunity to develop new innovative industries that use repurposed or recycled batteries.

California has successfully implemented many reuse and recycling systems. These market-based solutions significantly reduce waste and create jobs by turning a challenging product into a resource. However, this legislation places a significant burden on DTSC to implement the policy, instead of building on the success of existing producer responsibility models. I encourage the author to continue working with stakeholders to explore if a producer responsibility organization would yield more equilibrium among public agencies and industry in sharing the administrative burden required by this policy.

For these reasons, I cannot sign this bill."

This bill: SB 615 sets up a framework to ensure that vehicle traction batteries are safely collected, transported, and then reused, repurposed, remanufactured, or recycled. This bill requires battery suppliers (anyone that sells or distributes vehicle traction batteries into the state) to be responsible for the end-of-life management of these batteries. The major goal of this bill is to encourage and promote the recycling of these batteries as part of the circular economy. The timing of this bill is important as well. While there are a number of EVs on the road, the volume of these batteries nearing end-of-life is still rather low, making this a great opportunity to solidify and improve the safe collection and recycling of vehicle traction batteries.

Addressing the veto of SB 615 from 2024: In the veto message of SB 615 from 2024, the Governor suggested exploring whether or not a producer responsibility organization could be the mechanism to manage vehicle traction batteries instead of SB 615 from 2024. This bill does not contain a producer responsibility organization. It is the understanding of the Committee that the option of a producer responsibility organization has been discussed and that conversations with the Administration about this approach will continue.

Arguments in support: According to a coalition of organizations,

"Our organizations support SB 615 (Allen) and respectfully request your aye vote on this important bill. This bill seeks to ensure that all electric vehicle (EV) batteries are repurposed or recycled at the end of their useful life.

Today, there are a relatively small number of EVs retiring and a strong incentive to recycle those due to the valuable minerals they contain. However, over the next decade, we will see the wave of retirements begin. This wave will include batteries that are not profitable to

recycle, and without policy intervention, they will slip through the cracks—which will likely result in hazardous waste landfill disposal or an even less desirable fate.

This bill is the result of a robust stakeholder process convened by Senator Allen that included environmental organizations, labor groups, vehicle manufacturers, dismantlers, battery recyclers, and battery repurposes. This bill:

1) Ensures that all EV batteries are repurposed or recycled at the end of their useful life with an Extended Producer Responsibility policy that clarifies what entity is responsible in every scenario.
2) Defines recycling in a way that disallows the most environmentally impactful technologies and encourages lithium, cobalt, and nickel to be recovered.
3) Requires robust tracking and reporting of retired EV batteries as well as reporting of the material recovered from batteries so we can improve the policy in the future if necessary."

Arguments in opposition: According to Tesla, Rivian, and Lucid,

"The bill, in its current form, remains complex and establishes a redundant mandate that will result in unnecessary, additional costs for consumers at a time of economy-wide uncertainty. Given that the industry is already effectively managing EV batteries without state intervention, we express our opposition to SB 615.

SB 615 seeks to proactively establish extensive regulations on the handling, processing, transportation, and liability of electric vehicle (EV) batteries at end-of-life without evidence that a widespread problem exists.

One of the most concerning aspects of SB 615 is the lack of an appropriate transfer of responsibility and liability for batteries modified by secondary handlers. This would result in significant safety risks for EV manufacturers and third parties who engage in the management of end-of-life batteries on their behalf.

Beyond the compliance costs that battery providers face under SB 615, the proposed text assigns unknown and uncapped agency enforcement costs to OEMs and provides no clarity in how these costs will be allocated. The proposed funding mechanism adds further uncertainty to automakers' operating costs at an unprecedented time for supply chain volatility, which will increase the cost of EVs and undermine the state's electrification goals. We urge the committee to consider all options to minimize the cost burden to OEMs under this program."

Double-referral: Should this bill pass this committee it will be re-referred to the Assembly Natural Resources Committee.

Related legislation:

1) SB 615 (Allen, 2024). Would have required battery suppliers to ensure the responsible end-of-life management of a vehicle traction battery once it is removed from a vehicle; report specified information about the sales of vehicle traction batteries to the Department of Resources, Recycling and Recovery; and, adhere to a battery management hierarchy set forth

in the bill. Would have provided that all vehicle traction batteries in the state shall be recovered and when possible reused, repaired, repurposed, or remanufactured and eventually recycled at the end of their useful life. This bill was vetoed by Governor Newsom.

2) AB 2240 (Irwin, Chapter 351, Statutes of 2022). Enacts the Responsible Battery Recycling Act of 2022, which requires producers of covered [household] batteries to establish a stewardship program for the collection and recycling of covered batteries.

3) AB 2832 (Dahle, Chapter 822, Statutes of 2018). Requires the Secretary for the California Environmental Protection Agency (CalEPA) to convene a research group to review, and advise the Legislature on, policies pertaining to the recovery and recycling of Li-ion vehicle batteries sold with motor vehicles in the state.

4) AB 2407 (Ting, 2018). Would have required CalEPA to convene a Lithium-Ion Car Battery Recycling Advisory Group to review and advise the Legislature on policies pertaining to the recovery and reuse of Li-ion batteries. This bill died in the Senate Environmental Quality Committee.

REGISTERED SUPPORT / OPPOSITION:

Support

California Environmental Voters
California State Association of Counties
Coalition for Clean Air
Environmental Defense Fund
Ford Motor Company
LKQ Corporation
National Stewardship Action Council
Natural Resources Defense Council
Plug In America
Redwood Materials
Sierra Club California
Union of Concerned Scientists

Opposition

Lucid
Rivian Automotive
Tesla Motors

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