

SENATE ENVIRONMENT AND ENERGY COMMITTEE

STATEMENT TO

SENATE, No. 3723

with committee amendments

STATE OF NEW JERSEY

DATED: MAY 15, 2023

The Senate Environment and Energy Committee favorably reports Senate Bill No. 3723, with committee amendments.

This bill, as amended by the committee, would establish a framework for the proper end-of-life management of electric vehicle (EV) batteries.

The bill would require any EV battery sold in the State to contain a permanent label that provides information about the battery. Under current law, P.L.2003 c.266 (C.26:2C-8.15 et seq.), New Jersey participates in California's Low Emission Vehicle Program, and the Department of Environmental Protection (DEP) adopts rules regarding low emissions vehicles that are functionally equivalent to California's. California recently adopted rules regarding EV battery labeling, at section 1962.6 of Title 13 of the California Code of Regulations. This bill would clarify that the same requirements regarding EV battery labeling would apply in New Jersey.

The bill would explicitly prohibit persons from disposing of EV batteries, and their subcomponents, as solid waste. The bill would also authorize solid waste collectors to refuse to collect a solid waste container containing an EV battery or component, and it would authorize solid waste disposal facilities to refuse to accept EV batteries or truckloads and roll-off containers containing an EV battery or component.

No later than 180 days after the effective date of the bill, each producer of EV batteries would be required to develop and submit a battery management plan to the DEP for review and approval. Under the bill, "producer" is defined to mean a EV battery manufacturer, remanufacturer, or importer, a person who repurposes EV batteries, or a EV manufacturer, brand or trademark licensee, or importer, who manufactures, sells, offers for sale, or imports a EV battery in or into New Jersey. Subsection b. of section 5 of the bill would establish provisions regarding which producer is to assume responsibility for a given EV battery. Subsection d. of section 5 of the bill would establish certain minimum requirements for the contents of a battery management plan, including the methods that will be used to collect and store the used EV batteries that are returned to the producer. The

bill would also establish provisions regarding the DEP's process for reviewing and approving battery management plans.

Under the bill, a consumer in possession of an unwanted EV battery would be authorized to return the battery (or the vehicle containing the battery) to a location designated by the producer of the battery, as specified in the producer's battery management plan, or to any Class D recycling center that is authorized by the DEP to recycle electric batteries. The bill would require the producer to accept the battery and to provide for its proper reuse, remanufacturing, repurposing, or recycling.

The bill would require the EV battery producers to provide consumers with educational materials related to the producer's approved battery management plan and the collection services that are available, including information identifying the end-of-life management options that are available for EV batteries through the battery management plan, and a notice that, in New Jersey, the costs of the services will be covered by the producer. The bill would also require the DEP to establish a means of addressing consumer complaints and a public education program to assure the widespread dissemination of information concerning the bill's provisions.

The bill would give the DEP authority to enter, at any time during normal business hours and upon presentation of appropriate credentials, a recycling center, vehicle recycler, or EV battery producer in order to determine compliance with the bill's provisions. Finally, the bill would provide that a violation of the bill's provisions would be considered a violation of the "Solid Waste Management Act," P.L.1970, c.39 (C.13:1E-1 et seq.). A person who violates the "Solid Waste Management Act" may be assessed a civil administrative penalty of up to \$50,000 for each violation.

The committee amendments to the bill:

(1) change the short title of the bill to the "Electric and Hybrid Vehicle Battery Management Act";

(2) add a definition of "battery management plan," "environmentally sound management practices," "producer," "propulsion battery," "remanufacture," "repurpose," and "reuse"; and delete the definitions of "electric vehicle," and "electric vehicle battery";

(3) change the use of the term "electric vehicle battery" to "propulsion battery" throughout the bill;

(4) remove section 5 of the bill, which would have established provisions regarding who is responsible for the end-of-life management of EV batteries;

(5) add new sections 5 and 6, which require producers of EV batteries to establish battery management plans that are required to be approved by the DEP;

(6) remove provisions that would have required certain retailers and distributors of EVs and EV batteries to accept used EV batteries;

(7) remove section 7 of the bill, which would have required EV and EV battery retailers to post certain informational signs;

(8) require EV battery producers to develop educational materials related to the bill, rather than the DEP; and

(9) make other technical and clarifying changes.