

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS
FISCAL IMPACT STATEMENT**

LS 6858
BILL NUMBER: HB 1231

NOTE PREPARED: Jan 22, 2026
BILL AMENDED: Jan 22, 2026

SUBJECT: Battery Recycling.

FIRST AUTHOR: Rep. Miller D
FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: X GENERAL
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) This bill provides that a retailer may not sell, offer for sale, or distribute for sale a covered battery or battery containing product unless: (1) the producer joins a battery stewardship organization; and (2) the battery is approved under a battery stewardship plan. It provides that a battery stewardship organization shall submit a battery stewardship plan (plan) to the Indiana Department of Environmental Management (IDEM) for approval. It also sets out certain requirements with respect to a plan.

This bill establishes the Battery Stewardship Fund to cover the IDEM's expenses in administering this act. It requires IDEM to publish certain information regarding battery recycling on the IDEM website. It provides that a battery stewardship organization may recover, under certain circumstances, all costs associated with collecting a covered battery from the producer. It also allows fee based and nonfee based collection and recycling programs to operate under certain conditions.

This bill prohibits a person from improperly recycling a covered battery. It defines certain terms. It also provides that a producer and battery stewardship organization are exempt from state antitrust law with respect to planning, reporting, or operating a battery stewardship program.

Effective Date: July 1, 2026.

Explanation of State Expenditures: *Battery Stewardship Fund and Plans:* The bill establishes the non-reverting Battery Stewardship Fund to be administered by IDEM. The bill also requires IDEM to administer battery stewardship plans (plans) with battery stewardship organizations. Expenses for administering the fund and plans shall be paid from the fund. Revenue sources for the fund include required battery stewardship plan fees and appropriations made by the General Assembly. The bill does not make an appropriation.

Explanation of State Revenues: (Revised) *Plan Fees:* The bill requires IDEM to impose a review fee of \$10,000 to each battery stewardship organization the first time the organization submits a plan to IDEM. It also requires IDEM to impose an annual fee, to each battery stewardship organization with an approved plan, in an amount sufficient to cover the costs of administering the plans. All fee revenue will be deposited into

the newly established Battery Stewardship Fund to be used by IDEM to administer the plans.

Explanation of Local Expenditures:

Explanation of Local Revenues: (Revised) The bill requires plans to include a financial plan that provides reimbursement to local units of government that collect covered batteries. Any increase in revenue received by local units will depend on local action and terms of the plans.

State Agencies Affected: Indiana Department of Environmental Management.

Local Agencies Affected: Local units of government.

Information Sources:

Fiscal Analyst: Jason Barrett, 317-232-9809.