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HOUSE BILL No. 1231

Proposed Changes to introduced printing by AM123101

DIGEST OF PROPOSED AMENDMENT

Battery recycling. Adds or amends the definitions of "producer" and "battery containing product". Provides that producers of battery containing products are subject to the provisions of the bill. Makes changes to the applicability provision of the bill. Changes the fees the department of environmental management may impose under the bill. Alters the duties of a battery stewardship organization. Allows fee based and nonfee based collection and recycling programs to operate under certain conditions. 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. Makes conforming changes.

A BILL FOR AN ACT to amend the Indiana Code concerning environmental law.

Be it enacted by the General Assembly of the State of Indiana:

- 1 [SECTION 1. IC 13-11-2-17.3 IS ADDED TO THE INDIANA
2 CODE AS A NEW SECTION TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2026]: Sec. 17.3. (a) "Battery containing
4 product", for purposes of section 171.5 of this chapter and
5 IC 13-20.7, means a product that contains or is packaged with a
6 covered battery.
7 (b) The term does not include computers, small scale servers,
8 computer monitors, electronic keyboards and mice, printers, fax
9 machines, scanners, televisions, digital video disc players and
10 recorders, video cassette recorders, digital converter boxes, cable
11 receivers, satellite receivers, portable digital music players, and
12 video game consoles.
13 [SECTION ~~17.3~~ 17.5. IC 13-11-2-17.5 IS ADDED TO THE
14 INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS
15 [EFFECTIVE JULY 1, 2026]: Sec. 17.5. "Battery stewardship

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organization", for purposes of sections 31.7 and 180.3 of this chapter and IC 13-20.7, means an organization designated by a producer to implement a battery stewardship plan approved by the department under IC 13-20.7.

SECTION ~~↔~~[3]. IC 13-11-2-31.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 31.7. "Collection rate", for purposes of IC 13-20.7, means the percentage calculated by dividing:

- (1) the total weight of covered batteries collected by a battery stewardship organization in Indiana during a calendar year; by
- (2) the average annual weight of covered batteries estimated to have been sold by all producers in Indiana during the previous three (3) calendar years.

SECTION ~~↔~~[4]. IC 13-11-2-47.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 47.3. "Covered battery", for purposes of this chapter and IC 13-20.7, means a portable battery or a medium format battery.

SECTION ~~↔~~[5]. IC 13-11-2-128.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 128.1. "Medium format battery", for purposes of section 47.3 of this chapter, means a:

- (1) nonrechargeable battery that weighs more than four and four-tenths (4.4) pounds but less than or equal to twenty-five (25) pounds; or
- (2) rechargeable battery that:
 - (A) weighs more than eleven (11) pounds or has a rating of more than three hundred (300) watt hours; and
 - (B) weighs less than or equal to twenty-five (25) pounds and has a rating of less than or equal to two thousand (2,000) watt hours.

SECTION ~~↔~~[6]. IC 13-11-2-166.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 166.7. "Portable battery", for purposes of section 47.3 of this chapter, means a:

- (1) nonrechargeable battery that weighs less than or equal to four and four-tenths (4.4) pounds; or
- (2) rechargeable battery that weighs less than or equal to eleven (11) pounds and has a rating of less than or equal to three hundred (300) watt hours.



SECTION ~~6~~[7]. IC 13-11-2-171.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 171.5. [(a)] "Producer", for purposes of sections 17.5 and 31.7 of this chapter and IC 13-20.7, means~~<a person who manufactures>~~ [the following:

(1) For] a covered battery[, the following:

(A) If the battery is sold under the brand of the battery manufacturer, the battery manufacturer.

(B) If the battery is sold under a retail brand or under a brand owned by a person other than the manufacturer, the brand owner.

(C) If clauses (A) and (B) are inapplicable, the licensee of a brand or trademark under which the battery is:

(i) used in a commercial enterprise;

(ii) sold;

(iii) offered for sale; or

(iv) distributed.

(2) For a battery containing product, the following:

(A) If the battery containing product is sold under the brand of the product manufacturer, the product manufacturer.

(B) If the battery containing product is sold under a retail brand or under a brand owned by a person other than the manufacturer, the brand owner.

(C) If clauses (A) and (B) are inapplicable, the licensee of a brand or trademark under which the product is:

(i) used in a commercial enterprise;

(ii) sold;

(iii) offered for sale; or

(iv) distributed.

(b) The term does not include a person who would otherwise be considered a producer under subsection (a)(2) if:

(1) the supplier of the battery used in the product has joined a registered battery stewardship organization with respect to the battery; and

(2) the supplier provides written certification of its membership in the approved battery stewardship organization to the person who would otherwise be considered a producer under subsection (a)(2)].

SECTION ~~7~~[8]. IC 13-11-2-178.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 178.3. "Rechargeable battery",



for purposes of sections 128.1 and 166.7 of this chapter, means a battery that:

- (1) contains one (1) or more voltaic or galvanic cells electrically connected to produce electric energy; and
- (2) is designed to be recharged.

SECTION ~~9~~ [9]. IC 13-11-2-180, AS AMENDED BY P.L.54-2023, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 180. (a) "Recycling", for purposes of IC 13-20-17.5 and IC 13-21:

(1) means a process by which materials that would otherwise become solid waste are:

- (A) collected;
- (B) separated or processed; and
- (C) converted into materials or products for reuse or sale; and

(2) includes advanced recycling.

(b) "Recycling", for purposes of section 179.9 of this chapter and IC 13-20.5, means the process of collecting and preparing video display devices or covered electronic devices for use in manufacturing processes or for recovery of useable materials followed by delivery of the materials for use. The term does not include the following:

- (1) Destruction of recyclable materials by incineration or another process.
- (2) Land disposal of recyclable materials.
- (3) Reuse, repair, or any other process through which video display devices or covered electronic devices are returned to use for covered entities in their original form.

(c) "Recycling", for purposes of IC 13-20.7, means the process of collecting and preparing a covered battery for:

- (1) use in a manufacturing process; or
- (2) the recovery and delivery of usable materials.

However, the term does not include the destruction of a covered battery, land disposal of recyclable materials, or any process by which a covered battery is returned to its original form such as a repair.

SECTION ~~9~~ [10]. IC 13-11-2-180.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 180.3. "Recycling efficiency rate", for purposes of IC 13-20.7, means the percentage calculated by dividing:

- (1) the weight of components and materials recycled by a battery stewardship organization; by



(2) the weight of covered batteries collected by the battery stewardship organization.

SECTION 1 ~~1~~ [1]. IC 13-11-2-194, AS AMENDED BY P.L.176-2023, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 194. (a) "Retailer", for purposes of IC 13-20-14, means a person engaged in the business of selling new tires at retail in Indiana.

(b) "Retailer", for purposes of IC 13-20-16, means a person engaged in the business of selling lead acid batteries at retail in Indiana.

(c) "Retailer", for purposes of section 195.7 of this chapter and IC 13-20.5, means a person that sells, rents, or leases, through sales outlets, catalogs, or the Internet, a video display device to a covered entity and not for resale in any form.

(d) "Retailer", for purposes of IC 13-20.7, means a person that:

- (1) sells;
- (2) offers for sale; or
- (3) distributes;

a covered battery.

~~(d)~~ (e) "Retailer", for purposes of section 0.4 of this chapter and IC 13-23, means a person who purchases motor fuel for sale to the general public for ultimate consumption.

SECTION 1 ~~1~~ [2]. IC 13-20.7 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]:

ARTICLE 20.7. RECYCLING OF BATTERIES

Chapter 1. Applicability

Sec. 1. Except as provided in IC 13-20.7-5-2, this article does not ~~1~~ [] apply to:

(1) a covered battery ~~<~~

~~(1)~~ regulated by IC 13-20-16], except that this article does apply to a covered battery:

(A) that:

(i) contains lead and sulfuric acid; and

(ii) has nominal voltage of at least six (6) volts; and

(B) that is used in a motorized toy];

(2) ~~< sold or packaged with a product;~~

~~(3) that is:~~

> [a covered battery contained within a device, as defined in 21 U.S.C. 321(h), that is not designed and marketed for sale or resale principally to consumers for personal use;



(3) a covered battery that is:

-]**
- (A) in a product; and
 - (B) not designed to be easily removable from the product;
 - (4) **[a covered battery]** that contains an electrolyte as a free liquid;
 - (5) **[a covered battery]** designed to power a motor vehicle, in whole or part, or a component of a motor vehicle; ~~<or>~~
 - (6) **[a covered battery or battery containing product or]** that has been recalled for safety reasons **]; or**
 - (7) **a covered battery that is a part of a utility scale battery energy storage system (as defined in IC 22-14-8-3)]**.

Chapter 2. Requirements

Sec. 1. Beginning January 1, 2030, a retailer may not sell, offer for sale, or distribute for sale a covered battery **[or battery containing product] unless:**

- (1) the producer has joined a battery stewardship organization; and
- (2) the battery is approved under a battery stewardship plan described in this article.

Sec. 2. (a) This section applies to a covered battery that:

- (1) is greater than or equal to one-half (1/2) inch in diameter; or
- (2) contains a surface with a length that exceeds one-half (1/2) inch.

(b) Except as provided in subsection (c), beginning January 1, 2030, a covered battery **[or battery in a battery containing product] must include the following on the battery:**

- (1) The identity of the producer.
- (2) The chemistry of the battery.
- (3) A disclaimer that the battery should not be disposed of as ordinary waste.

(c) If a covered battery can fit entirely, in any orientation, into the small parts cylinder described in 16 CFR 1501.4, the marks described in subsection (b)(1) and (b)(3) must be placed on the packaging of the covered battery.

Chapter 3. Battery Stewardship Plans

Sec. 1. A battery stewardship organization shall submit to the department a battery stewardship plan focused on improving the quantity and effectiveness of recycling.

Sec. 2. A battery stewardship plan must include the following:

- (1) A list of each:



- 1 (A) producer; and
 2 (B) brand of covered battery;
 3 intended to be covered by the battery stewardship plan.
 4 (2) A list of each collection site ~~<and producer>~~ intended to
 5 be used as part of the battery stewardship plan.
 6 (3) A performance plan that includes:
 7 (A) collection rate goals;
 8 (B) recycling efficiency rate goals; and
 9 (C) education and safety standards [including collection
 10 site safety training procedures related to covered
 11 battery collection activities at collection sites, such as
 12 appropriate protocols to reduce risks of spills or fires
 13 and response protocols in the event of a spill or fire, and
 14 a protocol for safe management of damaged batteries
 15 that are returned to collection sites];
 16 with respect to covered batteries intended to be covered by
 17 the battery stewardship plan.
 18 (4) A financial plan that fully funds compliance with this
 19 article without shifting costs to consumers [and that
 20 reimburses units of local government for collecting covered
 21 batteries].
 22 (5) Any other information required by the department.

23 Sec. 3. The department shall approve or deny a battery
 24 stewardship plan not later than one hundred twenty (120) days
 25 after a plan is submitted.

26 Sec. 4. The department shall notify a battery stewardship
 27 organization in writing of a denial, including the reason for the
 28 denial.

29 Sec. 5. If a battery stewardship organization intends to
 30 materially change an approved plan, the battery stewardship
 31 organization shall submit an amendment to the department for
 32 approval. An amendment is subject to the same procedures
 33 described in sections 3 and 4 of this chapter.

34 Sec. 6. An updated battery stewardship plan must be
 35 submitted to the department every five (5) years after an initial
 36 plan is approved by the department unless the battery stewardship
 37 organization files a notice with the department of the
 38 organization's intent to disband.

39 Sec. 7. The department shall impose ~~<an annual>~~ [the following
 40 fees:

- 41 (1) A review] fee of ~~<one hundred>~~ [ten] thousand dollars
 42 (\$10<0>,000) <on each> [the first time a] battery stewardship



organization ~~<that has:~~

~~(1) submitted an~~ [submits its plan to the department for approval.

(2) An annual fee sufficient to cover the costs of the department in administering this article, as determined by the department, for each] approved battery stewardship

~~<plan; and~~

~~(2) not filed a notice described in section 6 of this chapter~~ [organization].

Sec. 8. A person may not charge a fee to a consumer to defray the costs of implementing a battery stewardship plan under this chapter.

Sec. 9. (a) A battery stewardship organization that has:

(1) submitted an approved battery stewardship plan; and

(2) not filed a notice described in section 6 of this chapter;

shall submit an annual progress report to the department.

(b) The department shall provide standards for the contents of progress reports described in subsection (a).

Chapter 4. Battery Stewardship Fund

Sec. 1. (a) The battery stewardship fund is established.

(b) The expenses of administering the fund shall be paid from the money in the fund.

(c) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the fund.

(d) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

(e) The sources of money for the fund are the following:

(1) Annual fees paid under IC 13-20.7-3-7.

(2) Appropriations made by the general assembly, gifts, and donations intended for deposit in the fund.

(f) The commissioner shall use money in the fund to pay the expenses of administering this article.

Chapter 5. Miscellaneous Provisions

Sec. 1. The department shall publish the following on the department's website:

(1) A copy of each active battery stewardship plan approved by the department under this article, including any amendments.

(2) The name of each producer covered by a battery stewardship plan approved by the department under this



article.

(3) The name of each brand of covered batteries covered by a battery stewardship plan approved by the department under this article.

(4) A copy of each annual progress report submitted to the department under IC 13-20.7-3-9.

Sec. 2. (a) A ~~any~~ battery stewardship organization:

(1) shall provide for the collection of loose covered batteries; and

(2) may, but is not required to ~~collect a covered battery that is:~~

~~(1) sold or packaged with a product; or~~

~~(2)~~ provide for the collection of:

(A) battery containing products; or

(B) covered batteries or battery containing products

recalled for safety reasons.

~~(b) If:~~

~~(1) a battery stewardship organization collects a covered battery described in subsection (a)(1); and~~

~~(2) the producer is not covered by the organization's battery stewardship plan approved by the department under this article;~~

~~the battery stewardship organization may recover all costs associated with collecting the covered battery from the producer, including legal fees.~~

~~(c)~~ [

(b) If a battery stewardship organization collects a covered battery [or battery containing product] described in subsection (a)(2)(B), the battery stewardship organization may recover all costs ~~associated with~~ [incurred in] collecting, transporting, and processing the covered battery [or battery containing product] from the producer ~~, including legal fees~~.

~~Sec. 3. Nothing in this article prohibits a person from collecting and sending a covered battery to;~~

Sec. 3. (a) A person may operate a fee based collection and recycling program that collects covered batteries independently of a battery stewardship organization ~~for recycling pursuant to~~ [or a similar program that is not fee based for government sites if the following conditions are met:

(1) The person accepts all covered batteries.

(2) The person receives no compensation from a battery stewardship ~~plan approved~~ [organization with respect to



the covered batteries, unless the battery stewardship organization has an agreement with the person.

(3) The person provides the following information to the department on an annual basis, as established by the department ~~under this article.~~

➤, with respect to each covered battery collected by the person:

(A) The weight, by chemistry, of covered batteries collected.

(B) The weight of materials recovered from covered batteries collected, in total and by method of battery recycling.

(C) The percentage calculated by dividing:

(i) the weight of components and materials recycled by the person; by

(ii) the weight of covered batteries collected by the person;

for each recycling process.

(D) A description of how each facility used for the final disposition of covered batteries, whether recycled or otherwise, managed the batteries and battery components.

(E) The weight and chemistry of covered batteries sent to each facility that is used for final disposition of the batteries.

(b) If a battery stewardship organization's performance goals would be impacted by the information provided under subsection (a)(3), the department shall:

(1) consider the information when calculating the recycling efficiency rate for the battery stewardship organization; and

(2) provide the information to the battery stewardship organization.

Sec. 4. Beginning January 1, 2029, a person may not knowingly cause or allow:

(1) the placing of a covered battery into a container intended for collection and disposal at a facility that is not authorized under IC 13-22 or federal law for operation as a hazardous waste facility; or

(2) the disposal of a covered battery in a facility that is not authorized under IC 13-22 or federal law for operation as a hazardous waste facility.

Sec. 5. (a) A person that violates section 4 of this chapter is not subject to:



1 (1) a criminal or civil action or penalty; or
 2 (2) any other sanction;
 3 under this title or any other state law.

4 (b) A violation of this chapter does not create a cause of action.

5 Sec. ~~6~~ [6. A producer and battery stewardship organization
 6 are exempt from the provisions of IC 24-1 with respect to planning,
 7 reporting, or operating a battery stewardship program, including:

8 (1) the creation, implementation, or management of a battery
 9 stewardship organization and any battery stewardship plan,

10 regardless of whether it is submitted, denied, or approved;

11 (2) the determination of the cost and structure of a battery
 12 stewardship plan; and

13 (3) the types or quantities of batteries being recycled or
 14 otherwise managed under this article.

15 Sec. 7]. The department may adopt rules under IC 4-22-2 and
 16 IC 13-14-9 to implement this article.
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