

TESTIMONY FROM

PRBA – THE RECHARGEABLE BATTERY ASSOCIATION

IN OPPOSITION TO SF 1690

March 31, 2025

PRBA – The Rechargeable Battery Association ("PRBA") strongly supports responsible stewardship of waste rechargeable batteries, as well as steps to assure the safe handling of those batteries. We have worked on portable battery extended producer responsibility (EPR) legislation in 12 states this year and supported all of those bills except one. Regrettably, we also must oppose SF 1690 for the reasons explained below. We are prepared to continue working closely with MPCA and the legislature to develop a far less complex bill to establish an EPR framework for batteries in the best interest of Minnesota's residents and businesses.

Background on PRBA

PRBA was formed in 1991 to respond to the growing need for workable portable rechargeable battery collection and recycling programs in the United States. PRBA members established pilot portable battery recycling programs in several states (including Minnesota) in the 1990s and implemented a national not-for-profit public education and portable battery recycling program. Our membership has grown over the past 34 years to include the leading manufacturers of rechargeable and non-rechargeable batteries, power tools, notebooks, tablets, cellular phones, outdoor power equipment, hybrid and electric vehicles, medical devices, micromobility devices, and defense products, battery recyclers, and retailers. We are now active in 16 states working on portable battery and electric vehicle battery EPR legislation and regulations.

General Concerns on SF 1690

SF 1690 would establish an unprecedented, comprehensive e-waste-type EPR program in Minnesota unlike any other in the U.S., Europe, or Canada. While PRBA strongly supports the requirement that portable battery producers establish and fund a portable battery EPR program, we strongly oppose how SF 1690 would form a quasi-government agency governed by a single producer responsibility organization (PRO) covering multiple products. SF 1690 also would establish an overly bureaucratic "Covered Products Reimbursement Board" with authority to recommend reimbursement rates. This single PRO would have authority over hundreds of products – from button cells to audio earbuds to battery-powered riding lawnmowers – and hundreds of manufacturers. This single PRO approach will drive up costs for producers and in turn make products covered under the program significantly more expensive for consumers and businesses in Minnesota. We also are unaware of any single organization that has the capability to operate such a PRO.

Batteries should therefore be removed from SF 1690 and replaced with a standalone battery bill similar to what MPCA proposed during the 2024 legislative session, which also would be consistent with how other states are establishing mandatory portable battery EPR programs.

Specific Concerns with SF 1690

- 1. The amended definition for "Covered battery" remains problematic. It fails to properly distinguish between consumer-type and industrial-type batteries and provide the necessary exemption for industrial-type batteries. It also includes a broad exemption for lead acid batteries and fails to account for small sealed lead acid (SSLA) batteries currently governed by the collection requirements found in Section 325E-125 of the Minnesota Statutes. These SSLA batteries are currently collected through the Call2Recycle program, which is funded by the producers of these batteries. (The Call2Recycle program collected 75,000 pounds of SSLA batteries in Minnesota in 2023 and 2024.) It therefore is unclear how or if these SSLA batteries will be collected under this new single PRO scheme and how the funding for the collection will be established.
- 2. By including batteries in SF 1690, it creates an unprecedented level of complexity for the battery industry, which could jeopardize the success of the battery collection programs currently operating in the state. It also remains unclear to our members who participate in the Call2Recycle program in Minnesota how their interests will be better served by this quasi-government PRO proposed in SF 1690. Batteries are unique products and many chemistries (e.g., lithium battery) are regulated as hazardous materials by the U.S. Department of Transportation and hazardous waste by MPCA and the U.S. Environmental Protection Agency. The producers are therefore better served by a battery stewardship organization like Call2Recycle that understands the complexity of the hazardous materials and hazardous waste regulatory issues than a quasi-government PRO.
- 3. The role of "collectors" in SF 1690 and how the PRO will manage these entities and establish the costs producers must pay into the PRO's program is a significant concern. We assume the PRO will approve each collector, establish contractual agreements with the hundreds of collectors required under the EPR program, and oversee each of the collectors' operations. As such, it appears to be creating a Superfund-type situation should any of the collectors' facilities contaminate the land where their operations are located. That is, producers (e.g., PRBA members) could be forced into litigation over the cleanup costs of a contaminated site approved by the PRO since these producers would be members of the PRO. This is exactly how the federal Superfund program was established leading to endless litigation and substantial costs for the responsible parties.

We have many others concerns with SF 1690, but the issues we have listed above should be sufficient for this Committee to recognize the bill still requires substantial work before proceeding any further. We would welcome the opportunity to meet with this Committee's staff and other interested parties to address our concerns.

For more information on PRBA's position on SF 1690, please contact PRBA Executive Director George Kerchner at 202.719.4109 or gkerchner@wiley.law.