## HOUSE TRANSPORTATION, PUBLIC WORKS AND CAPITAL IMPROVEMENTS COMMITTEE SUBSTITUTE FOR HOUSE BILL 310

57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025

 AN ACT

RELATING TO MOTOR VEHICLES; ENACTING THE PROMOTING RESPONSIBLE END-OF-LIFE MANAGEMENT OF ELECTRIC VEHICLE BATTERIES ACT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

**SECTION 1.** [NEW MATERIAL] SHORT TITLE.--This act may be cited as the "Promoting Responsible End-of-Life Management of Electric Vehicle Batteries Act".

SECTION 2. [NEW MATERIAL] DEFINITIONS.--As used in the Promoting Responsible End-of-Life Management of Electric Vehicle Batteries Act:

A. "auto recycler" means a person engaged in New Mexico in an established business that includes acquiring vehicles that are required to be registered pursuant to the Motor Vehicle Code for the purpose of dismantling, wrecking, shredding, compacting, crushing or otherwise destroying

vehicles for reclaimable parts or scrap material to sell;

- B. "battery" means a device consisting of one or more electrically connected electrochemical cells that is designed to receive, store and deliver electric energy;
- C. "battery management hierarchy" means the preference for auto recyclers, secondary handlers, secondary users or battery providers to first strive to reuse, repair or remanufacture batteries when possible and cost-effective before sending end-of-life batteries for recycling;
  - D. "battery provider" means:
- (1) a person that initially sells, offers for sale or distributes a propulsion battery or a vehicle containing a propulsion battery in or into New Mexico, including vehicle manufacturers licensed pursuant to applicable state codes or propulsion battery manufacturers that distribute propulsion batteries under their own name or brand;
- (2) the owner or licensee of a brand or trademark under which a propulsion battery is sold or distributed in or into New Mexico, including a licensee with the exclusive right to use the trademark or brand in connection with the distribution or sale of propulsion batteries;
- (3) if no person meets the criteria set forth in Paragraph (1) or (2) of this subsection, a battery provider is the person that imports the propulsion battery into the state for sale, distribution or installation; and

(4) if no other person meets the criteria set forth in Paragraph (1), (2) or (3) of this subsection, the distributor, retailer, dealer or wholesaler that sells or distributes the new propulsion battery in or into New Mexico.

The sale of a propulsion battery is considered to occur in New Mexico if the battery, or the vehicle containing the battery, is delivered to a licensed dealer or directly to the consumer in New Mexico;

- E. "commercial hauler" means a person transporting solid waste for hire by whatever means for the purpose of transferring, processing, storing or disposing of the solid waste in a solid waste facility, except that "commercial hauler" does not include a person transporting solid waste generated on the person's residential or business premises for the purpose of disposing of it in a solid waste facility;
- F. "department" means the department of
  environment;
- G. "end-of-life" means the stage at which a propulsion battery is no longer suitable for powering a vehicle and will be evaluated by a secondary handler or secondary user for reuse, remanufacture, repair, repurpose or recycling;
- H. "propulsion battery" means a battery with the primary intended purpose of supplying power to propel an electric or hybrid vehicle;
- I. "remanufacture" means a repair or modification.230710.2

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or

1	to a propulsion battery that results in the complete battery,
2	or any battery modules or battery cells in the propulsion
3	battery, being used for the same purpose or application for
4	which the battery was originally designed;
5	J. "repurpose" means the use of a propulsion
6	battery or any battery modules or battery cells in the

- J. "repurpose" means the use of a propulsion battery or any battery modules or battery cells in the propulsion battery to store and supply electricity in a manner other than its primary intended purpose;
- K. "reuse" means the use of a propulsion battery in another vehicle from the same manufacturer, which does not require modification to the battery;
- L. "secondary handler" means an entity that takes possession of a propulsion battery:
  - (1) to sort, reuse, repair or remanufacture;
    - (2) to prepare the battery for:
      - (a) repurposing by a secondary user; or
      - (b)  $end-of-life\ management\ by\ a$

specialized battery recycler;

- M. "secondary user" means an entity that repurposes a propulsion battery;
- N. "specialized battery recycler" means an entity or facility that is authorized by the department or an equivalent agency in another state or country to do one or both of the following:

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	(1	) extrac	t and	separate	end-of-life
propulsion	batterv	elements	that	include:	

- intermediate fraction from the (a) thermal or mechanical treatment of waste batteries; and
- (b) components, including lithium compounds, cobalt, nickel, copper, aluminum, iron, manganese and graphite, and send the material for further processing or refining prior to sending them to another specialized battery recycler; or
- (2) refine end-of-life propulsion batteries or the materials listed in Paragraph (1) of this subsection to useable battery materials;
- "specialized battery recycler" does not include 0. entities that are only engaged in the collection or logistics of moving materials for recycling or whose primary method of battery recycling is done by smelting; and
- "spent battery" means a propulsion battery for Ρ. which costs associated with reuse, repurposing, remanufacturing or recycling the battery present a burden for the secondary handler or secondary user that has removed the battery from the vehicle.

## SECTION 3. [NEW MATERIAL] PROHIBITION ON LANDFILLING. --

All propulsion batteries in the state shall be managed responsibly at end-of-life in accordance with the battery management hierarchy. Disposal of propulsion batteries .230710.2

through landfilling is prohibited.

- B. A commercial hauler shall not knowingly collect a propulsion battery, or any module or cell of a propulsion battery, placed for collection and disposal as solid waste. A commercial hauler may refuse to collect a solid waste container containing a propulsion battery or any components of a propulsion battery.
- C. No solid waste facility in this state shall knowingly accept for disposal a propulsion battery or any components of a propulsion battery or a truckload or roll-off container of solid waste containing a propulsion battery or any components of a propulsion battery. The owner or operator of a solid waste facility may refuse to accept for disposal a propulsion battery or any module or cell of a propulsion battery or any truckload or roll-off container of solid waste containing a propulsion battery or any components of a propulsion battery.

SECTION 4. [NEW MATERIAL] RESPONSIBLE ENTITY FOR SPENT BATTERIES.—The responsible entity for a spent battery shall be the battery provider, unless a secondary handler or secondary user has modified the battery. In that case, the responsible entity shall be the last party that modified the battery. The responsible entity shall be responsible for end-of-life treatment for a spent battery consistent with the provisions of the Promoting Responsible End-of-Life Management of Electric

Vehicle Batteries Act.

SECTION 5. [NEW MATERIAL] RESPONSIBILITIES OF SECONDARY HANDLERS AND SECONDARY USERS.--

- A. Upon repurposing or remanufacturing a propulsion battery, secondary users and secondary handlers are responsible for end-of-life battery management of spent batteries.
- B. If a secondary handler or a secondary user identifies a propulsion battery as a spent battery upon taking initial possession of the battery, the secondary handler or secondary user shall use the labeling to identify the responsible entity for that spent battery, which shall be either the battery provider or the last entity to have modified the battery. The secondary handler or secondary user shall notify the responsible entity, who shall collect the spent battery.
- C. For propulsion batteries that are unable to be further reused, repurposed or remanufactured, secondary handlers and secondary users shall coordinate with a specialized battery recycler for end-of-life management to ensure compliance with the Promoting Responsible End-of-Life Management of Electric Vehicle Batteries Act. When a battery provider acts as a secondary handler or secondary user, the battery provider shall be subject to the responsibilities of secondary handlers and secondary users pursuant to this section.

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D. If a secondary handler or secondary user
modifies a propulsion battery, the secondary handler or
secondary user shall provide updated labeling that identifies
the secondary handler or secondary user as the responsible
entity for the modified battery before the battery can be
supplied back to market. Secondary handlers and secondary
users become responsible for ensuring spent batteries are
handled in accordance with the Promoting Responsible End-of-
Life Management of Electric Vehicle Batteries Act when the
secondary handlers or secondary users modify a propulsion
battery.

- E. On or before January 1, 2028 and by January 1 of each year thereafter, secondary users and secondary handlers shall submit annual reports to the department containing the following information for the prior calendar year, if applicable:
- (1) the total volume of propulsion batteries each secondary user procured;
- (2) identification of all auto recyclers involved in propulsion battery collections;
- (3) a brief overview of methods used to transport used propulsion batteries;
- (4) the total volume of propulsion batteries reused;
  - (5) a brief overview of processes used for

1	reuse of propulsion batteries;				
2	(6) the total volume of propulsion batteries				
3	repurposed;				
4	(7) a brief overview of processes used to				
5	repurpose propulsion batteries;				
6	(8) the total volume of propulsion batteries				
7	remanufactured;				
8	(9) a brief overview of processes used to				
9	remanufacture propulsion batteries;				
10	(10) the total volume of propulsion batteries				
11	sent to a specialized battery recycler; and				
12	(11) the volume of spent batteries that				
13	secondary handlers and secondary users contacted battery				
14	providers to pick up.				
15	F. Upon taking possession of a propulsion battery,				
16	secondary handlers and secondary users shall manage propulsion				
17	batteries in accordance with the battery management hierarchy.				
18	SECTION 6. [NEW MATERIAL] RESPONSIBILITIES OF BATTERY				
19	PROVIDERS				
20	A. A battery provider shall:				
21	(1) upon receiving notification from a				
22	secondary handler or secondary user regarding a spent battery,				
23	be responsible for retrieving the battery in a timely and safe				
24	manner;				
25	(2) ensure the responsible end-of-life				
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- (a) removed from a vehicle still in service while under warranty, in accordance with state and federal laws; or
- (b) returned directly to the battery provider; and
- (3) coordinate with specialized battery recyclers for the end-of-life management of propulsion batteries if recycling is the only viable second-life application available for a propulsion battery, to ensure compliance with the Promoting Responsible End-of-Life Management of Electric Vehicle Batteries Act.
- B. A battery provider ceases to be the responsible entity for remanufactured or repurposed propulsion batteries unless the battery provider has performed the remanufacturing or repurposing or has agreed to accept responsibility for such liability by contract.
- C. If a vehicle containing a propulsion battery originally sold in New Mexico is retired out of state, it is not subject to the provisions of the Promoting Responsible End-of-Life Management of Electric Vehicle Batteries Act.
- D. On or before January 1, 2028 and by January 1 of each year thereafter, battery providers shall submit an annual report to the department containing the following information for the prior calendar year:

1	(1) the total volume of propulsion batteries				
2	managed at end-of-life;				
3	(2) the total volume of propulsion batteries				
4	managed by specialized battery recyclers in accordance with the				
5	Promoting Responsible End-of-Life Management of Electric				
6	Vehicle Batteries Act; and				
7	(3) the total volume of propulsion batteries				
8	procured in the following categories:				
9	(a) batteries acquired from auto				
10	recyclers; and				
11	(b) batteries procured from other				
12	sources.				
13	SECTION 7. [NEW MATERIAL] RESPONSIBILITIES OF SPECIALIZED				
14	BATTERY RECYCLERSOn or before January 1, 2028 and by January				
15	l of each year thereafter, specialized battery recyclers shall				
16	submit an annual report to the department containing the				
17	following information for the prior calendar year:				
18	A. the total volume of propulsion batteries the				
19	specialized battery recycler has procured;				
20	B. the total volume of propulsion batteries				
21	recycled; and				
22	C. the recovery rates of lithium, nickel, cobalt,				
23	copper, aluminum and graphite, as applicable.				
24	SECTION 8. [NEW MATERIAL] RESPONSIBILITIES OF OTHER				
25	PERSONSA person that is not a battery provider, secondary				
	.230710.2				

handler or secondary user seeking to discard a vehicle propulsion battery shall:

- A. return the vehicle propulsion battery or the vehicle containing the vehicle propulsion battery to the responsible entity or notify the responsible entity and coordinate timely and safe pickup of the battery to be done by the responsible entity; or
- B. sell or transfer the vehicle propulsion battery or the vehicle containing the vehicle propulsion battery to a secondary handler, secondary user or specialized battery recycler.
- **SECTION 9.** [NEW MATERIAL] RESPONSIBILITIES OF THE DEPARTMENT.--The department shall:
- A. notify secondary handlers, secondary users, commercial haulers and solid waste facilities of the prohibition on disposing of propulsion batteries in landfills and that auto recyclers can contact the responsible entity to take responsibility for spent batteries;
- B. determine how to proceed if the federal government passes laws or publishes regulations pertaining to propulsion batteries that may impact the requirements outlined in the Promoting Responsible End-of-Life Management of Electric Vehicle Batteries Act and review, evaluate and compare the federal requirements to those provided for in that act;
- C. revise applicable administrative rules to ensure .230710.2

compliance with federal standards and achieve greater efficiency and feasibility; and

D. determine and enforce violations, administrative compliance cost recovery and penalties for battery providers, specialized battery recyclers, secondary handlers and secondary users that violate the provisions of the Promoting Responsible End-of-Life Management of Electric Vehicle Batteries Act or fail to meet the requirements outlined in that act, in alignment with those provisions of the New Mexico Administrative Code required by the federal Resource Conservation and Recovery Act.

**SECTION 10.** EFFECTIVE DATE.--The effective date of the provisions of this act is January 1, 2027.

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