



February 19, 2025

House Committee on Climate, Energy and Environment

RE: Redwood Materials' Written Testimony for House Bill 2062, Relating to Batteries

Dear Chair Lively, Vice-Chairs Gamba and Levy, and Members of the Committee on Climate, Energy and Environment,

We write with urgent concern regarding House Bill 2062, Relating to Batteries. While we support the bill's intent to promote safe, responsible battery recycling, we believe the current proposal does not fully leverage the expertise and capabilities of specialized battery recyclers or the well-established e-waste and metal recycling infrastructure in Oregon. **Consequently, we must oppose the bill unless it is amended to better harness these existing resources and innovative collection models.**

As drafted, the bill risks stifling effective, market-driven solutions by monopolizing battery collection through third-party entities that do not actually recycle the materials they receive. We advocate for a stewardship model that upholds the proposed collection framework but also integrates and strengthens both Oregon recyclers and America's domestic battery recycling industry.

At Redwood, we are developing the first U.S.-based closed-loop supply chain for lithium-ion batteries, encompassing collection, recycling, and re-manufacturing batteries into high-value components like cathode materials. Our goal is to support Oregon's, and the nation's, transition to sustainable energy by achieving recovery efficiency rates above 95% and substantially reducing both the carbon footprint and cost of producing new batteries. We do not manufacture batteries ourselves but instead provide—and partner with—consumer-facing and industry collection programs to ensure these materials are recovered and reintroduced into a domestic supply chain, lowering reliance on foreign sources.

A strong EPR program can build on the private sector's success while expanding collection and consumer education efforts. Together, we are capturing unwanted end-of-life batteries and refine them into critical battery materials to meet emerging domestic production and recycled content needs. However, the proposed language in House Bill 2062 could limit the ability of recyclers like Redwood to directly acquire feedstock through diverse collection channels and partnerships, thereby undermining an essential piece of the closed-loop ecosystem and the state's goal for safe collection and handling of batteries.

Stewardship organizations and recyclers are not mutually exclusive; an effective EPR framework should harness the expertise and broad reach of both. By reinforcing existing and future battery collection pathways, banning the landfilling of batteries, and promoting robust consumer awareness, House Bill 2062 can help ensure greater

battery recovery rates and improved public safety. We therefore ask that you consider our proposed amendments, which we strongly believe will advance Oregon’s environmental, economic, and clean energy goals.

To address these concerns and fully realize the potential of Oregon’s recycling infrastructure, we respectfully propose the following amendments. Each is designed to integrate and strengthen the stewardship model, driving higher collection rates, safer handling, and a more robust circular economy for batteries.

Our proposed amendments include:

1. Define “Specialized Battery Recycler” and Require Battery Producer Responsibility Organizations to Coordinate with Specialized Battery Recyclers for End-of-Life Management of Lithium-Ion Batteries

To address the unique safety, environmental, and material-recovery considerations of lithium-ion batteries, House Bill 2062 should explicitly define “specialized battery recyclers”—entities with the expertise and technology required to process these batteries responsibly. The bill should also acknowledge the important roles of other recycling stakeholders, such as electronic waste and metal recyclers, who often encounter lithium-ion batteries and may partner with specialized battery recyclers like Redwood Materials for safe and efficient downstream processing.

Critically, we believe that the definition of a “responsible end market” and its reference in Section 8 is too vague and does not ensure that covered batteries will be managed responsibly at the end-of-life. This legislative framework should specifically require battery producer responsibility organizations to partner with specialized battery recyclers for the end-of-life management of collected batteries, rather than merely collecting them without ensuring full recycling. By requiring this, Oregon can guarantee that recovered materials are truly reintroduced into a domestic, closed-loop supply chain—lowering reliance on foreign sources of critical minerals, reducing clean energy costs, and advancing the state’s sustainability goals.

2. Allow Direct Collection and Inventory Ownership by Specialized Battery Recyclers and Electronic/Metal Recyclers, Independent of a Battery Producer Responsibility Organization

Recyclers should be permitted to collect batteries directly from consumers and maintain inventory of those batteries especially if they are covering their own collection and logistics costs, as well as reporting required data to the state. Unfortunately, the current draft of House Bill 2062 lacks the clarity recyclers need to continue operating independently and retain ownership of collected materials. By enabling recyclers to establish direct collection pathways for consumers, Oregon benefits from a more streamlined and efficient recycling process that boosts convenience, increases recycling rates, and ensures safety and environmental compliance. Additionally, local governments should have the option to partner with specialized battery recyclers or electronics and metal recyclers for the collection of batteries. This approach complements—rather than competes with—the proposed battery producer

responsibility organization by preserving an important avenue for market-driven innovation when we all agree that collection rates need to increase drastically.

The recycling industry is a major economic force in Oregon. Recognizing the essential role of electronic waste, metal recyclers, and specialized battery recyclers within the broader recycling ecosystem is paramount. These entities are not “free riders” on any responsibility organization; on the contrary, they do not produce batteries but instead provide a vital public service by processing and recovering battery materials that would otherwise be landfilled. Through partnerships with downstream innovators like Redwood Materials, recyclers capture used batteries at the end of their life cycle and refine them into new materials, bolstering both sustainability and economic growth.

3. Do Not Restrict Battery Producer Responsibility Organizations to Only Nonprofit Organizations

Limiting battery producer responsibility organizations exclusively to nonprofits can hinder competition, stifle innovation, and reduce the overall effectiveness of Oregon’s battery recycling efforts. Allowing both for-profit and nonprofit entities to form battery producer responsibility organizations helps draw on a broader range of expertise, funding opportunities, and operational models—ultimately strengthening the recycling ecosystem. By diversifying the types of organizations eligible to oversee end-of-life battery management, the state ensures it does not rely too heavily on a narrow pool of organizations, increasing resilience and improving long-term outcomes for consumers, recyclers, and the environment alike.

4. Exclude Medium-Format Batteries from the Bill Requirements

Medium-format batteries, typically lithium-based, differ significantly from small-format batteries in both distribution and handling. Since lead-acid batteries are already exempted under House Bill 2062, producers of exclusively lithium batteries should not be required to fund a system primarily designed to manage less valuable chemistries like alkaline or nickel cadmium.

At end-of-life, medium-format batteries must be handled, packaged, and shipped only by personnel trained to manage fully regulated dangerous goods. Because these larger batteries are not expected to be accepted at every collection site, they naturally constitute a separate classification. Developing specific policies for medium-format batteries—as opposed to simply delaying their inclusion in this bill—allows for safer, more targeted solutions that reflect existing industry practices.

Moreover, medium-format batteries tend to be found in products with strong brand loyalty (e.g., outdoor power equipment, boat and RV batteries, electric bikes). A dedicated approach enabling producers, distributors, and recyclers to work together on tailored strategies can avoid unnecessary complexity, reduce administrative costs for both the state and industry, and ensure that medium-format batteries are recycled safely and efficiently.

We urge you to amend House Bill 2062 to include these crucial additions, aligning the bill with the realities of modern end-of-life battery management, evolving recycling technologies and collection approaches, while bolstering national clean energy and recycling targets.

Thank you for your consideration of our testimony.

Sincerely,

A handwritten signature in black ink that reads "Ashley Seaward". The signature is written in a cursive, flowing style.

Ashley Seaward

Manager of State Policy & Government Relations

Redwood Materials

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