# Now & Next

## **Environmental Alert**

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## Shippers rethink universal waste as EPA considers rule changes

By Ted Wolff, Chris D. Schlag, and Kelly Sprague

As the EPA prepares to propose new universal waste rules, some shippers are ending parcel shipments of universal wastes, prompting businesses to reassess their options to stay compliant and avoid disruptions.



## What's the impact?

- Some shippers have expressed that they will stop accepting universal waste parcel shipments, effective **July 31, 2025.**
- To avoid disruptions and potential compliance pitfalls, businesses should consult their shipper's guidelines and ship any existing universal waste containers before the deadline and find a compliant alternative carrier for future universal waste parcel shipments.
- EPA's pending universal waste rule changes may further impact shipment options—businesses should stay informed of regulatory developments and ensure compliance with applicable federal, state, and local universal waste requirements.

Several shipping companies are adjusting or reevaluating their programs for shipping universal waste in response to growing concerns over the improper handling, storage, and disposal of

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these materials. Recent incidents involving pesticide spills, broken lamps, and fires linked to mismanaged lithium batteries have drawn attention to the environmental and safety risks associated with universal waste. In light of these challenges, some shippers have indicated that they will no longer accept parcel shipments of universal waste, including batteries, bulbs, and mercury, after July 31, 2025. Other shippers are also reassessing their programs, with some considering changes to labeling requirements or the categories of materials they will handle. The US Environmental Protection Agency (EPA) has acknowledged these issues and plans to propose new universal waste rules, with particular focus on the management of lithium batteries.

### Potential changes to EPA's universal waste rules

In late 2023, the EPA <u>announced plans</u> to propose new rules under the Resource Conservation and Recovery Act (RCRA) governing universal wastes (40 CFR Part 273) by adding hazardous waste solar panels to the universal waste regulations and creating a new, distinct category of universal waste for lithium batteries. In detailing its planned rulemaking activities, EPA emphasized that lithium batteries should be managed separately from the existing general battery universal waste category because of the unique environmental, health, and safety risks of lithium battery waste. EPA specifically noted:

- After compiling and analyzing information on fires caused by lithium-ion batteries, the <u>EPA found</u> that end-of-life lithium-ion batteries, generally from consumer devices (e.g., cell phones, tablets, vacuums, etc.), going through the municipal solid waste management process, caused more than 240 fires.
- / Establishing a category of waste for lithium batteries will improve safety standards and reduce the risks of fires from mismanaged end-of-life lithium batteries.
- / Current industry standards and best practices could be used to harmonize battery management.

Since its announcement, the EPA has held several public meetings and workshops, as well as updated website materials with additional universal waste guidance, but has yet to propose new rules. EPA's announcement targeted June 2025 for issuing a notice of the proposed rulemaking and December 2026 for final adoption. With the target notice date passed, EPA's internal workgroup process closed, and external review at or near completion, notice of the proposed rulemaking may be just around the corner.

In the absence of rulemaking, EPA's position on lithium-ion batteries and universal wastes has become complicated. For example, a memo from May 2023 conveys that lithium-ion batteries are hazardous when disposed partly because of their "ignitability and reactivity." As a result, lithium-ion batteries present hazardous waste and RCRA compliance considerations, such that shippers, certain recyclers, and even retailers that handle, store, and ship these batteries need to meet stringent requirements for lithium-ion battery management tasks. To manage this complexity, pending EPA's proposed rules, and mitigate potential environmental, health, and safety risks



from universal waste, specifically batteries, some shippers began evaluating and adjusting their universal waste parcel shipping services and options.

## Key implications for businesses that generate universal waste

With the landscape for universal waste requirements and management options in flux, businesses, recyclers, and waste handlers that rely on parcel services for universal waste transport need to be aware of pending changes and may need to transition to alternative carriers.

#### LOSS OF PARCEL OPTION

As early as August 1, 2025, certain shippers will no longer accept parcel shipments of universal wastes, including batteries, lamps, and mercury-containing devices. Businesses should consult their carriers' guidelines, and identify and transition to alternative compliant carriers.

#### PARCEL OPTION UNCERTAINTY

While other shippers, such as UPS, continue to allow universal waste shipments, their policy could change in response to further industry shifts or rulemaking. Businesses that ship universal waste should communicate proactively their shippers to ensure awareness of potential program changes and the ability to pivot universal waste management programs quickly.

#### **REGULATORY CHANGES AHEAD**

As the EPA has not announced changes to its plan to propose new universal waste rules, proposed rules expanding universal waste requirements are still expected. The rules could also impose significant requirements on lithium battery management and further impact shipping options or compliance requirements.

#### **INCREASED COMPLIANCE RISK**

Improper handling, storage, or disposal of universal waste and hazardous waste poses serious safety and environmental risks and creates potential for significant liability. Businesses should periodically review their programs and procedures to ensure proper identification and designation of wastes, as well as compliance with all applicable regulations.

#### **NEED FOR PROACTIVE PLANNING**

With changes in shipping options and programs and potential regulatory developments, businesses should proactively assess their waste management strategies, update contracts with transporters, and train staff to ensure ongoing compliance and operational continuity.



## Compliance considerations and next steps

Changes in universal waste shipment options and regulatory requirements can significantly impact businesses' waste management programs. Now is the perfect time to evaluate how you manage universal waste and whether you have the right programs, procedures, and transporter support to ensure compliance and effective management of potential risks and liabilities. With legal insight and practical know-how to keep your operations safe, compliant, and ahead of the curve, our team is here to help. Nixon Peabody's <u>environmental attorneys</u> can help businesses respond confidently and effectively to these developments.

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