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**SENATE BILL 5497**

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**State of Washington**                      **54th Legislature**                      **1995 Regular Session**

**By** Senators McAuliffe, Fraser, Spanel, C. Anderson and Kohl

Read first time 01/25/95. Referred to Committee on Ecology & Parks.

1            AN ACT Relating to used oil recycling; amending RCW 70.95I.005 and  
2 70.95I.010; and adding new sections to chapter 70.95I RCW.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4            **Sec. 1.** RCW 70.95I.005 and 1991 c 319 s 301 are each amended to  
5 read as follows:

6            (1) The legislature finds that:

7            (a) Millions of gallons of used oil are generated each year in this  
8 state, and used oil is a valuable petroleum resource that can be  
9 recycled;

10           (b) The improper collection, transportation, recycling, use, or  
11 disposal of used oil contributes to the pollution of air, water, and  
12 land, and endangers public health and welfare;

13           (c) The private sector is a vital resource in the collection and  
14 recycling of used oil and should be involved in its collection and  
15 recycling whenever practicable.

16           (2) In light of the harmful consequences of improper disposal and  
17 use of used oil, and its value as a resource, the legislature declares  
18 that the collection, recycling, and reuse of used oil is in the public  
19 interest.

1 (3) The department, when appropriate, should promote the rerefining  
2 of used oil in its grants, public education, regulatory, and other  
3 programs.

4 (4) Due to continuing economic uncertainties in the market value of  
5 used oil, it is in the best interest of the state to provide an  
6 incentive program for the collection and rerefining of household used  
7 oil in order to meet the purposes and goals of this chapter.

8 (5) Oil manufacturers are encouraged to form partnerships with  
9 other parties to enhance the recycling of used motor oil.

10 **Sec. 2.** RCW 70.95I.010 and 1991 c 319 s 302 are each amended to  
11 read as follows:

12 Unless the context clearly requires otherwise, the definitions in  
13 this section apply throughout this chapter.

14 (1) "Rerefining used oil" means the reclaiming of base lube stock  
15 from used oil for use again in the production of lube stock.  
16 Rerefining used oil does not mean combustion or landfilling.

17 (2) "Used oil" means (a) lubricating fluids that have been removed  
18 from an engine crankcase, transmission, gearbox, hydraulic device, or  
19 differential of an automobile, bus, truck, vessel, plane, heavy  
20 equipment, or machinery powered by an internal combustion engine; (b)  
21 any oil that has been refined from crude oil, used, and as a result of  
22 use, has been contaminated with physical or chemical impurities; and  
23 (c) any oil that has been refined from crude oil and, as a consequence  
24 of extended storage, spillage, or contamination, is no longer useful to  
25 the original purchaser. "Used oil" does not include used oil to which  
26 hazardous wastes have been added.

27 (3) "Public used oil collection site" means a site where a used oil  
28 collection tank has been placed for the purpose of collecting household  
29 generated used oil. "Public used oil collection site" also means a  
30 vehicle designed or operated to collect used oil from the public.

31 (4) "Lubricating oil" means any oil designed for use in, or  
32 maintenance of, a vehicle, including, but not limited to, motor oil,  
33 gear oil, and hydraulic oil. "Lubricating oil" does not mean petroleum  
34 hydrocarbons with a flash point below one hundred degrees Centigrade.

35 (5) "Vehicle" includes every device physically capable of being  
36 moved upon a public or private highway, road, street, watercourse, or  
37 trail, and in, upon, or by which any person or property is or may be

1 transported or drawn upon a public or private highway, road, street,  
2 watercourse, or trail, except devices moved by human or animal power.

3 (6) "Department" means the department of ecology.

4 (7) "Local government" means a city or county developing a local  
5 hazardous waste plan under RCW 70.105.220.

6 (8) "Oil manufacturer" means a company or corporation that either  
7 refines crude oil, purchases or imports oil refined from crude, or  
8 mixes additives into base lube, and packages the resultant oil for sale  
9 at the retail level. For nonbulk oil, the manufacturer is the person  
10 who first possessed the oil, in its bulk form, within the state.

11 NEW SECTION. Sec. 3. A new section is added to chapter 70.95I RCW  
12 to read as follows:

13 (1) Beginning July 1, 1996, a fee of five cents on each quart of  
14 automotive motor oil sold in the state at the retail level shall be  
15 assessed from the manufacturer.

16 (2) Incentive payments shall be retained by the manufacturer for  
17 the following:

18 (a) Four cents for the collection and legal disposal of one gallon  
19 of used oil generated by households;

20 (b) Seven cents for the submission of one gallon of used oil  
21 generated by households to a rerefinery for subsequent processing; or

22 (c) Nine cents for the sale of one gallon of rerefined oil in  
23 containers of one gallon or less at the retail level. If oil is sold  
24 that is a percentage rerefined oil, the refund shall be determined by  
25 multiplying the percentage of rerefined oil times nine cents per  
26 gallon.

27 (3)(a) Incentives shall be awarded to oil manufacturers, local  
28 governments, and other businesses that apply and meet the conditions in  
29 (e) of this subsection.

30 (b) By March 1, 1997, and each subsequent March 1st, manufacturers  
31 shall report to the department amounts of oil sold that required a fee  
32 under this section for the previous calendar year and claim incentives  
33 earned under subsection (2) of this section. Manufacturers shall  
34 forward all fee receipts less incentives earned to the department with  
35 their reports.

36 (c) By April 1, 1998, and each subsequent April 1st, other entities  
37 may file claim with the department for incentives for the previous

1 calendar year. The department shall reimburse claimants under this  
2 section by June 1st of each year.

3 (d) Unclaimed fees shall be placed in the used oil recycling  
4 account created in section 4 of this act.

5 (e) Businesses applying for economic incentives shall:

6 (i) Keep accurate records for the department to determine the  
7 amount of the incentive payments; and

8 (ii) Comply with the minimum standards for collection sites,  
9 transporting, storing, and rerefining as determined by the department,  
10 and meet all safety requirements and standards as may exist in state  
11 and local regulations.

12 (4) The department shall cease requiring the fee under this section  
13 when the department determines that the state-wide collection rate for  
14 used motor oil reaches ninety percent. The department shall file a  
15 statement with the code reviser for publication in the Washington State  
16 Register that the ninety percent collection rate has been achieved and  
17 that the fee will no longer be assessed.

18 NEW SECTION. **Sec. 4.** A new section is added to chapter 70.95I RCW  
19 to read as follows:

20 (1) There is hereby created in the state treasury the used oil  
21 recycling account. Receipts from the following shall be deposited in  
22 the account:

23 (a) Unclaimed fees from section 3 of this act; and

24 (b) Other moneys appropriated to it by the legislature.

25 (2) Upon appropriation by the legislature, funds in the used oil  
26 recycling account may be used for:

27 (a) Disposal costs of contaminated oil at household collection  
28 sites that are part of a local program;

29 (b) Administrative costs incurred by the department to implement  
30 this chapter; and

31 (c) Grants to local government for used oil collection and  
32 recycling.

33 (3) Grants provided to local governments under subsection (2) of  
34 this section shall require no more than a ten percent match.

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