
SECOND SUBSTITUTE SENATE BILL 5497

State of Washington

54th Legislature

1995 Regular Session

By Senate Committee on Ways & Means (originally sponsored by Senators McAuliffe, Fraser, Spanel, C. Anderson and Kohl)

Read first time 03/06/95.

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

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

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

7 (1) The legislature finds that:

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

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

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

17 (2) In light of the harmful consequences of improper disposal and
18 use of used oil, and its value as a resource, the legislature declares

1 that the collection, recycling, and reuse of used oil is in the public
2 interest.

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

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

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

12 NEW SECTION. **Sec. 2.** The primary purpose of this act is to
13 provide economic incentives for the participation of oil manufacturers
14 in strengthening markets for used oil, by supporting programs for the
15 collection and rerefining of used automotive motor oil. The generation
16 of revenues to the state and the grants to local governments and other
17 expenditures from the account created by this act are only incidental
18 to this primary purpose. It is the goal of this act to achieve the
19 state-wide recycling rate established by RCW 70.95I.030(4) and
20 subsequently to cease requiring the fee pursuant to section 4(5) of
21 this act.

22 **Sec. 3.** RCW 70.95I.010 and 1991 c 319 s 302 are each amended to
23 read as follows:

24 Unless the context clearly requires otherwise, the definitions in
25 this section apply throughout this chapter.

26 (1) (~~("Rerefining used oil" means the reclaiming of base lube stock~~
27 ~~from used oil for use again in the production of lube stock.~~
28 ~~Rerefining used oil does not mean combustion or landfilling.))
29 "Rerefined oil" means oil which is refined to remove the physical and
30 chemical contaminants acquired through use, which by itself or when
31 blended with new lubricating oil or additives, meets applicable API and
32 SAE service classifications for lubricating oils. API (American
33 Petroleum Institute) engine oil service classifications are two letter
34 classification performance ratings for which engine oils are designed.
35 SAE (Society of Automotive Engineers) viscosity grade is the measure of
36 an oil's resistance to flow at a given temperature.~~

1 (2) "Used oil" means (a) lubricating fluids, refined from crude or
2 synthetic oil, that have been removed from an engine crankcase,
3 transmission, gearbox, hydraulic device, or differential of an
4 automobile, bus, truck, vessel, plane, heavy equipment, or machinery
5 powered by an internal combustion engine; (b) any oil that has been
6 refined from crude or synthetic oil, used, and as a result of use, has
7 been contaminated with physical or chemical impurities; and (c) any oil
8 that has been refined from crude oil and, as a consequence of extended
9 storage, spillage, or contamination, is no longer useful to the
10 original purchaser. "Used oil" does not include used oil to which
11 hazardous wastes have been added.

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

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

20 (5) "Vehicle" includes every device physically capable of being
21 moved upon a public or private highway, road, street, watercourse, or
22 trail, and in, upon, or by which any person or property is or may be
23 transported or drawn upon a public or private highway, road, street,
24 watercourse, or trail, except devices moved by human or animal power.

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

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

28 (8) "Oil manufacturer" means a company or corporation that either:

29 (a) Refines crude oil within the state into automotive motor oil;

30 (b) Purchases or imports into the state oil that is refined from
31 crude and is intended for sale as automotive motor oil at the wholesale
32 level; or

33 (c) Mixes additives into base lube, and packages the resultant
34 automotive motor oil for sale at the retail level within the state.

35 (9) "Automotive motor oil" means lubricating oil produced in grades
36 and viscosity ranges commonly used in passenger automobiles or light
37 trucks. Automotive motor oil is oil intended for direct sale to the
38 general public.

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

3 (1) Beginning July 1, 1996, a fee of four cents on each quart of
4 automotive motor oil intended for sale in the state at the retail level
5 shall be assessed from the oil manufacturer.

6 (2) There shall be allowed a deduction from the total fees assessed
7 from the manufacturer for the following:

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

10 (b) Six cents for the submission of one gallon of used oil
11 generated by households to a rerefinery for subsequent processing; and

12 (c) Six cents for the sale of one gallon of rerefined oil in
13 containers of one gallon or less at the retail level. If oil is
14 intended for sale that is a percentage rerefined oil, the incentive
15 payment shall be determined by multiplying the percentage of rerefined
16 oil times six cents per gallon.

17 (3) Manufacturers shall:

18 (a) Keep accurate records of activities upon which the fees are
19 assessed and incentive payments claimed;

20 (b) Comply with the minimum standards for collection sites,
21 transporting, storing, and rerefining required by RCW 70.95I.060 and
22 70.95I.070; and

23 (c) Meet all safety requirements and standards as exist in state
24 and local regulations for the handling of used automotive motor oil.

25 (4)(a) By February 28, 1997, and each subsequent February 28,
26 manufacturers shall report to the department amounts of oil intended
27 for sale that required a fee under this section for the previous
28 calendar year and claim deductions earned under subsection (2) of this
29 section. Manufacturers shall forward all fees less incentive payments
30 earned to the department with their reports.

31 (b) Fees shall be deposited into the used oil recycling account
32 created in section 5 of this act.

33 (5) The department shall cease requiring the fee on July 1, 2000,
34 unless the legislature acts to extend the period of assessment for the
35 fee.

36 NEW SECTION. **Sec. 5.** A new section is added to chapter 70.95I RCW
37 to read as follows:

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

4 (a) Unclaimed fees from section 4 of this act; and

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

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

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

10 (b) Administrative costs incurred by the department to implement
11 this chapter;

12 (c) Grants to local government for used oil collection and
13 recycling, including arrangements for the transportation of used oil by
14 transporters complying with RCW 70.95I.070; and

15 (d) Contracts with other entities for the provision of used oil
16 collection, transportation, and rerefining.

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

19 (4) No more than ten percent of the total expenditures from the
20 account in any biennium may be used by the department for the
21 administration of this chapter.

22 NEW SECTION. **Sec. 6.** The department of ecology shall provide a
23 report to the appropriate standing committees of the legislature by
24 December 1, 1998, and by December 1, 1999, on fee collections,
25 incentives earned, expenditures from the used oil recycling account,
26 and the current used oil recycling rate.

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