

# SENATE BILL REPORT

## ESB 6501

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As Amended by House, March 5, 2014

**Title:** An act relating to used oil recycling.

**Brief Description:** Concerning used oil recycling.

**Sponsors:** Senators Ericksen and Darneille.

**Brief History:**

**Committee Activity:** Energy, Environment & Telecommunications: 2/06/14 [DP].

Passed Senate: 2/18/14, 46-1.

Passed House: 3/05/14, 98-0.

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### SENATE COMMITTEE ON ENERGY, ENVIRONMENT & TELECOMMUNICATIONS

**Majority Report:** Do pass.

Signed by Senators Ericksen, Chair; Sheldon, Vice Chair; McCoy, Ranking Member; Billig, Brown, Chase, Honeyford, Litzow and Ranker.

**Staff:** Jan Odano (786-7486)

**Background:** The Hazardous Waste Management laws set up a comprehensive framework for state and local government responsibilities concerning waste management practices. The Department of Ecology (Ecology) must develop a state hazardous waste management plan. The state plan includes elements such as an inventory and assessment of the capacity of existing facilities to treat, store, dispose, and manage hazardous waste; a forecast of future hazardous waste generation; siting criteria for hazardous waste management facilities; and public education and information. Ecology must include elements of local government hazardous waste plans as necessary for effective and coordinated programs throughout the state.

Local governments must prepare local hazardous waste plans and include an element to manage moderate-risk wastes generated or present in their jurisdiction. The local hazardous waste plans must include public involvement and education regarding the hazards to human health and environmental hazards from improper disposal of wastes; proper handling, reducing, recycling, and disposing of waste; and an inventory of facilities managing hazardous waste as well as generators of hazardous waste. In addition, local governments must include a used oil recycling element of their hazardous waste plans.

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A local government hazardous waste plan used oil recycling element must include a plan to reach the local goals for household used oil recycling, and to the extent possible, incorporate voluntary agreements with the private sector and state agencies to provide sites for the collection of used oil, and residential collection of used oil; plans for enforcing the sign and container ordinances and public education on used oil recycling; and an estimate of funding needed.

Ecology must prepare guidelines for requirements for the local government used oil recycling element. The guidelines include collection and rerefining goals, number of used oil collection sites needed, and suitable public used oil collection sites. These requirements may be waived if a local government demonstrates that the objectives of the used oil recycling program have been met. In addition, the guidelines established statewide equipment and operating standards for public used oil collection sites.

Used oil must be recycled, treated, or disposed in accordance with hazardous waste management requirements. Used oil that is contaminated with polychlorinated biphenyls (PCBs) is regulated under the federal Toxic Substances Control Act and enforced by the U.S. Environmental Protection Agency (EPA). The regulations include use, distribution, processing, disposal, and recordkeeping requirements.

**Summary of Engrossed Bill:** In its guidance for the local government used oil recycling element, Ecology must include best management practices (BMPs) for preventing and managing PCB contamination at public used oil collection sites. The BMPs must include tank testing requirements, contaminated tank labeling and security measures, contaminated tank clean-up standards, proper contaminated used oil disposal as required by EPA, spill control measures, and model contract language for used oil collection vendors.

Local governments must include in their used oil recycling element a plan for BMPs addressing prevention and management of PCB contamination at public used oil collection sites.

Cities and counties may submit a petition to Ecology for reimbursement of extraordinary costs associated with disposal of used oil contaminated with PCBs and compliance with EPA enforcement-related agreements. Ecology, in consultation with city and county moderate risk waste coordinators, EPA, and other stakeholders, must prioritize petitions using BMPs for preventing and managing used oil; ensure BMPs for preventing and managing PCBs in used oil are met; and determine if costs for disposal or compliance are extraordinary. Prioritization of the petitions must be based on factors such as disposal costs, costs to meet EPA agreements, and whether the costs are extraordinary and could not be reasonably accommodated and anticipated with BMPs for oil contaminated with PCBs in the normal budget process. Ecology must submit a prioritized list of petitions recommended for funding to the Legislature. Costs, if funded, must be reimbursed from the model toxics control accounts.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO: Keeping oil out of Puget Sound is paramount. This will help to keep many used oil recycling sites open that are considering closing because of the EPA hurdles. Ecology has been working hard to address concerns with EPA. This is a stop-gap until we resolve EPA issues. The grant program is important to small local governments who are almost totally funded by general funds.

OTHER: We have a very successful used oil recycling program, which has resulted in keeping oil out of landfills and going down storm drains. EPA regulations have very serious implications for our used oil recycling programs. EPA has taken drastic enforcement actions on well-run programs, which does not make sense. EPA's actions may cause local governments to not want to take the risk of having a used oil recycling program. However, we are uncomfortable with the precedent this may set for paying federal government fines.

**Persons Testifying:** PRO: Gary Kato, Mike Slevin, city of Tacoma.

OTHER: Laurie Davies, Ecology.

**House Amendment(s):** Ecology must update guidelines with BMPs for preventing and managing PCB contamination of used oil by July 1, 2015. The process for prioritizing petitions for reimbursement of extraordinary costs and making recommendations to the Legislature is clarified.