



**House
Legislative
Analysis
Section**

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**Senate Bill 454 with House committee amendments
Senate Bills 692 and 693 as passed by the Senate**
Sponsor: Sen. Vern Ehlers
House Committee: Conservation, Recreation and
Environment
Senate Committee: Natural Resources and
Environmental Affairs

First Analysis (5-22-90)

THE APPARENT PROBLEM:

The Used Oil Recycling Act of 1980 established a policy to promote the recycling of used oil. Under the act, the Department of Commerce was to create a plan to promote recycling of motor oil by the public and private sectors, a public education program to stress the need for recycling used oil, and a demonstration recycling project in three or more counties. The Department of Management Budget was to formulate and implement a plan to recycle the motor oil used by state departments and agencies. However, the bill did not specify a timetable for completing these activities, and many were not undertaken. Amendments made to the act in 1988 required the Department of Natural Resources (DNR) to establish a plan to promote the recycling of motor oil by the public and private sectors. In addition, the amendments required the DNR to conduct a demonstration used oil recycling project that provided for used oil recycling tanks or barrels to be located in state owned vehicle maintenance garages or publicly owned structures for use by the general public.

Despite the recent increase in the number of vehicle oil change services available to the public, many automobile owners still do their own automobile oil changes. Many automobile service stations refuse to accept used oil from automobile owners, and it is estimated that 11 million gallons of used oil are dumped each year by people who change their own oil, despite the initiation of an oil recycling collection system by the DNR. Further legislation has been proposed to address environmental problems caused by improper disposal of used oil.

THE CONTENT OF THE BILLS:

Senate Bill 454 would amend the Used Oil Recycling Act (MCL 319.312 et al.) to prohibit the disposal of used oil by dumping it onto the ground, or discharging, dumping, or depositing it into sewers, drainage systems, surface or groundwaters or other state waters. The bill would also prohibit disposal of used oil by incineration, or as refuse, or disposal onto public or private land unless the land was designated by the state as a collection facility for used oil and the used oil was placed in a receptacle or container installed or located at the collection facility. (The DNR would establish criteria to be used in designating collection facilities.) Use of used oil in an incinerator or other heater that was operated for purposes of providing heat or energy, or as a rust preventive coating on farm or construction equipment, would not be prohibited under the bill. However, the bill would ban the disposal of used oil in a municipal solid waste incinerator three years after the effective date of the bill.

Penalties. Starting July 1, 1991, a violation of the bill would be a misdemeanor punishable by imprisonment for 90

days, a fine of up to \$1,000, or both. However, the court could order a defendant to engage in court supervised recycling-related labor, including oil recycling, for a certain number of hours in place of a sentence specified in the bill. Violation of the bill by entities other than individuals would be punishable by fines of up to \$2,500. The bill would not prohibit enforcement actions under other state or federal laws applicable to activity described under the bill.

DNR Plan. The bill would require the DNR to develop a comprehensive oil recycling plan by January 1, 1991. The plan would provide for the establishment by July 1, 1991 of a network of private, state and local collection facilities on a statewide basis. It would also provide for a publicity program to assure that the public was aware of the oil disposal prohibition, the location of collection facilities, and the penalties for violation of the bill's provisions. In addition, the plan would have to provide at least one feasible potential funding mechanism to assure that an operational collection facility network was available by July 1, 1991.

Senate Bill 692 would amend the Solid Waste Management Act (MCL 299.432d) to prohibit the incineration of used oil in a municipal solid waste incinerator beginning three years after the effective date of the bill.

The bill is tie-barred to Senate Bill 454.

Senate Bill 693 would amend the liquid industrial waste act (MCL 322.278) to delete a provision that allows used oil to be spread on roadways and other surfaces for dust control or soil stabilization purposes.

The bill is tie-barred to Senate Bill 454.

HOUSE COMMITTEE ACTION:

The House Conservation, Recreation and Environment Committee amended Senate Bill 454 to prohibit the dumping of oil onto the ground.

FISCAL IMPLICATIONS:

Fiscal information is not available. (5-22-90)

ARGUMENTS:

For:

Oil can contaminate sewers and drainage systems or groundwater with toxins that are harmful to humans and the environment. Oil disposed of in landfills or burned in incinerators may still result in the emission of toxins into the environment. By prohibiting these harmful practices, Senate Bill 454, in conjunction with Senate Bills 692 and 693, will help ensure a safer environment, and will help conserve natural resources by promoting the reuse of oil.

In addition, allowing judges to sentence violators to work in recycling-related efforts may serve to educate them about the benefits of recycling and the harm done by dumping; the bill may act to deter repeats of the same offense. The bill is a logical continuation of the policies originally established in the Used Oil Recycling Act.

Against:

Senate Bill 454 calls for the development of plans and networks for collection of used oil but does nothing to establish markets for used oil once it is collected. Collection of used oil alone will not result in it being recycled. Recycling can only take place when a used product is reused; it is foolish to prohibit the disposal of used oil without providing for alternative uses. Without alternative uses for used oil, a strict prohibition of all used oil disposal methods except for collection will result in the illegal disposal of used oil. Further, it is unrealistic to expect that people will voluntarily recycle used oil without some sort of economic incentive to help facilitate the process. Economic incentives have been established for the recycling of bottles, cans, and paper products. In addition, there are markets for these recycled products. The same sort of process needs to be established for used oil.

Against:

Senate Bill 454 would allow the burning of used oil under certain circumstances, and Senate Bill 692 would provide for the continued incineration of used oil for three years after the effective date of the bill. Used oil should not be burned under any circumstances as it results in the emission of dangerous toxins into the air.

SUGGESTED AMENDMENTS:

Environmental Services Recycling suggests amending Senate Bill 454 to delete a provision allowing the use of used oil in an incinerator or other heater for purposes of providing heat or energy, and to delete the three year delay in the ban on the disposal of used oil in a municipal solid waste incinerator. The group also suggests corresponding amendments to Senate Bill 692.

POSITIONS:

Clean Water Action (a national environmental group) supports the bills. (5-22-90)

The County Road Association of Michigan supports the bills. (5-22-90)

The Department of Natural Resources supports the bills. (5-22-90)

Environmental Services Recycling supports the bills with its suggested amendments. (5-22-90)