HB 2518

RELATING TO USED MOTOR VEHICLE OIL RECYCLING

House Committees on
Energy and Environmental Protection
Judiciary
Intergovernmental Relations and International Affairs
Housing

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HB 2518 would establish a used motor vehicle oil recycling fund supported by a deposit paid for each quart sold in the State. Deposits shall be refunded to persons returning used oil for recycling. Sellers shall be reimbursed to an unspecified degree by the State for refunds paid to those who return oil for recycling. Sellers also will receive from the State a disposal fee for used oil turned into a permitted used oil recycling facility.

Our statement on this bill does not represent an institutional position of the University of Hawaii.

Presently, there are locations where used oil may be returned for recycling. More widespread availability of these facilities is limited by constraints on retailers for space to store used oil and logistics of handling the waste. Additionally, dealers are disinclined to participate due to the problems posed by the hazardous waste classification of used oil contaminated with other solvents.

This bill appropriately targets the most problematic component of the used oil circuit, the home mechanic who may be unwilling to take the time to seek an appropriate repository for waste oil. By offering a financial reward for return of the waste, this behavior is reinforced, in much the same way that those returning used aluminum cans are rewarded for their effort.
There has been a great deal of resistance offered to deposit mechanisms as agents of recycling promotion, due to the logistic and administrative burdens placed on retailers. A preferred alternative is the establishment of advance disposal fees assessed to wholesalers. Payment of these fees into a special State fund for the recycling of oil would simplify administration of the process. Costs would ultimately be passed on to the consumer, however, the benefits in terms of environmental protection appear to justify those additional costs. Incentive for return of used oil could arise from credit applied to purchase of new oil for those who return waste to a collection center in much the same way that alternator cores and battery cores are credited to the purchase of new or rebuilt units.

We certainly support the intent of HB 2518. However, we would urge revision of the bill to incorporate the features noted above.