

AB 701-pt 06



COUNTY OF MANITOWOC

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Jeffery Bayer, Director
Gerard Neuser, Assistant Director
Public Works Department

MEMORANDUM

TO: State Legislators Representing Northeast Wisconsin

FROM: Northeast Wisconsin Cooperative Marketing Group
Chairperson: Jeff Bayer, Manitowoc County Director of Public Works

DATE : February 2, 1998

RE: AB 701 Landfill Disposal Ban on Oil Filters

Northeast Wisconsin Cooperative Marketing Group (NEWCMG) is a group of local recycling professionals representing government programs from throughout the Northeast Wisconsin region. County recycling professionals with NEWCMG include Brown, Oconto, Outagamie, Manitowoc, Waupaca and Winnebago along with others interested in recycling in Wisconsin.

The members of NEWCMG ask you to please review the enclosed information and consider carefully the proposed Wisconsin oil filter ban and how it would be administered.

NEWCMG members are also concerned about legislating Responsible Unit authority for the proposed landfill ban on oil filters. We agree that oil filters do contain residual oil and as a result, this material ends up in landfills. However, the environmental impact of this material in landfills is uncertain. We believe that filter retailers, handlers and markets, including those that stand to profit financially from an oil filter ban, should be responsible for administering such a ban.

Four states in the United States currently have a legislated landfill ban on oil filters. The impacts of these bans and how they are administered are mixed. A meeting held in Iowa in November, 1997 brought together stakeholders in the oil filter area from states and filter organizations. A summary of this meeting is enclosed. Confusion on administration from collection to end markets exists in all four filter ban states. In the event of a landfill ban, the end-use market is key to a

successful effort.

Currently there are no end-use markets in Wisconsin to receive the reclaimed oil filters, making the marketing of used oil filters difficult and expensive. Foundries are currently investigating processing oil filters, but lack funding mechanisms to move forward. There are, however, a number of brokers in Wisconsin that do provide an outlet for oil filters but do not provide a local end-use facility for the used oil filters.

Therefore, the banning of oil filters from landfill sites in Wisconsin would only provide an opportunity for those who want to be in the field of recycling oil filters a method of reaping the financial benefits of a recycled oil filter program without the cost of establishing and operating the collection program. The cost of the collection program, as proposed in AB701, will fall on the municipalities, and the cost of collection is the most expensive aspect of any solid waste program, whether it be recycling or garbage pickup. Also keep in mind that the volume of waste that is being addressed with AB701 is only 10,000 cubic yards of the 8,000,000 cubic yards, or .125%, of solid waste annually disposed of in Wisconsin.

The current climate leaves Responsible Units having to continually account for the cost effectiveness, or ineffectiveness, of their recycling programs. Adding another potentially cumbersome and costly requirement onto municipal recycling programs, with limited end-use markets for filters, would further hamper and place undue financial burdens on existing programs.

Summary of Waste Oil Filter Meeting - November 21, 1997

Participants

A complete list of participants is attached at the end of this document.

Status Quo

While used oil filter recycling is encouraged by the State of Iowa and EPA, used oil filters can currently be landfilled in Iowa after they are punctured and hot-drained for a recommended 12 hours. Iowa also requires retailers of household hazardous products such as oil, oil additives, etc. to post signs and make information available to consumers on the proper management and disposal of these products. Voluntary recycling of used oil filters is currently happening in Iowa but many filters may still end up in the landfill with residual oil endangering surface and groundwaters. Nationally, 30%-35% of used oil filters generated are recycled.

Legislation

Recent legislation, if passed, would have banned landfill disposal of used oil filters in Iowa. Florida, Minnesota, Rhode Island and Texas are currently the only four states with a landfill ban on used oil filters. Only 15% of all filters recycled comes from the four landfill ban states. The Texas program costs the state nothing, consumers get charged fees like \$1 on oil changes, and collectors take filters free of charge. Processors charge \$30-\$40 a barrel for filters. Even at \$85/barrel that's only \$.15-\$.20/filter. The Filter Manufacturers Council (FMC) considers Texas regulation somewhat excessive. Minnesota is constantly "tweaking" their regulations. They had negative feedback for requiring free collection from DIYers. Their ban has been phased in and have continually pushed back the ban on filters from DIYers. Florida has registration procedures on commercial sources only. Also Florida DIYers put filters in trash and the filters are separated out of the incinerator ash for recycling.

There was concern among the group that DIYers need to be included in the same regulations as commercial generators to ensure that no one group is unfairly burdened with the cost of filter management.

Iowa Waste Reduction Center suggested that perhaps the easiest way to implement the collection of used oil filters from DIYers in Iowa would be to follow the example of the state's used oil program and add used oil filters to the used oil collection sign that is now being used.

Definitions are also necessary for "Generator", "Processor", "Transporter", etc.

FMC has made available model legislation for filter ban/collection/processing.

Education

People do not know what can be done to manage filters. This is true even in landfill ban states. FMC indicated that education and convenient collection from DIYers is critical to program success. Pennsylvania, which has no landfill ban, has recently undertaken a pilot project to educate about filter management and promote voluntary recycling.

Convenient Collection

Collection services provide jobs and delivery of collected filters is a source of income. Collection availability in Iowa is sufficient. Filters could be taken at recycling centers, oil change businesses, etc. Regulation should remain flexible to allow for storage of collected filters from DIYers. Cost of collection from rural locations would be very high depending on storage quantity limits imposed by regulation. There was much disagreement over cost concerns with rural collection. Rural area collection cost is still an issue in Minnesota although cost has recently gone from \$60/barrel to \$40/barrel. Mandated free collection in Minnesota resulted in backlash from retailers.

Transportation was also a concern. When filters are processed, however, the metals fall out of EPA regulation when they are destined for recycling.

Liability is a big issue for businesses accepting filters from DIYers. Liability funds, like in Minnesota, could be established to handle contaminated loads of oil/oil filters from DIYers.

According to the Petroleum Marketers of Iowa, 40% of the used oil filters generated in Iowa come from Do-It-Yourselfers (DIYers). The Filter Manufacturers Council (FMC) stated that nationally the DIYer rate is closer to 45%. FMC will research a current DIYer used oil filter generation rate for Iowa.

Covering the Costs

There is now an excess of processing capacity in Iowa. But the processing of filters does cost money. Point of purchase deposits on filters was suggested to help cover those costs. Administration cost of managing point of purchase fees would be high. It was also stated that the possibility of the state legislature assessing a new fee on oil filters would be remote.

In some states, businesses accepting from DIYers charge 25 or 50 cents and in return the business gives DIYer a coupon for same amount on next purchase.

A charge of \$10-25 for a registration fee on filter haulers-processors would only affect commercial generators, which brings up the equity issue.

Grant programs exist in some states for DIY collection point operators to help offset costs of contaminated loads and offset the fear of taking from DIYers.

Vehicle registration fees with dedicated money toward filter recycling, similar to the waste tire fees. This could help lower administration costs, for the state and on small businesses.

The group agreed that any new fee should have a sunset clause. Time would be needed to allow an infrastructure to get established and working, then do away with fee.

End Markets

Most participants agreed that used oil filter recycling should be driven by the market instead of regulation. There is a demand for this metal scrap. The problem is how to get filter scrap to a recycler in a form that they can use. In some states like California, regulations give preference to problematic recyclables like oil filters, steel belted tires, etc. Texas legislated specifications for processed filters (80% of remaining oil must be removed) to ensure a cleaner end scrap.

The Steel Recycling Institute indicated that no Iowa steel mills currently accept oil filters and acceptance in the midwest is limited to one mill in Gary, IN. The IPSCO and North Star facilities in Iowa may be come more competitive for scrap. Filters may then become more acceptable in near future. If there was a need to get more metal to processors, metal fuel filters could be treated the same as oil filters.

Recommendations by Group

Best Approach to Filter Recycling in Iowa:

I. Commercial

A. Landfill Ban

1. Phase it in
2. Education
3. Enforcement
4. Paper Trail

B. Collection

1. Convenient
2. Cost-Effective
3. Use Recycling Centers
4. Liability Protection
5. Incentives

II. DIYer

A. Landfill Ban

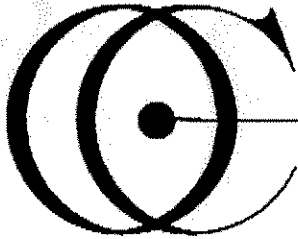
1. Phase it in
2. Education
3. Enforcement
4. Paper Trail

B. Collection

1. Convenient
2. Cost-Effective
3. Use Recycling Centers
4. Incentives

Waste Oil Filter Meeting Participant List:

FirstName	LastName	Company	City	State
Mona	Bond	Agribusiness Association of Iowa	Des Moines	IA
Jeff	Marshall	Alter Trading Corporation	Des Moines	IA
DeeAnn	Nejdl	CDR Oil Filter Service	Cedar Rapids	IA
Roger	Prasid	CDR Oil Filter Service	Cedar Rapids	IA
Leroy	Sottom	Cherokee Area Economic Development Corp.	Cherokee	IA
R. J.	Baker	Cherokee Area Economic Development Corp.	Cherokee	IA
Mick	Kilbourne	Des Moines Metro Recycling	Bandurant	IA
Cindy	Wernimont	Filter Recycling, Inc.	Cherokee	
Mark	Lundell	Filter Recycling, Inc.	Cherokee	
Marvin	Wernimont	Filter Recycling, Inc.	Cherokee	
Tom	Lundell	Filter Recycling, Inc.	Cherokee	
Dave	Duncan	Iowa Auto Dealers Association	Des Moines	IA
Bob	Boyken	Iowa Automotive Recyclers Association	Waterloo	IA
Rob	Miller	Iowa Automotive Recyclers Association	Waterloo	IA
Tim	Smith	Iowa Automotive Recyclers Association		
Tom	Snyder	Iowa Automotive Recyclers Association		
Al	Stokes	Iowa DNR		
Cherri	Bates	Iowa DNR		
Don	Paulin	Iowa DNR		
Jeff	Fiagle	Iowa DNR		
Paul	Lundy	Iowa DNR		
Roy	DeWitt	Iowa DNR		
Tom	Anderson	Iowa DNR		
Bob	Walters	Iowa Gold Distributing	Alburnett	IA
Craig	Finch	Iowa Motor Truck Association, Inc.	Des Moines	IA
David	Smitherman	Iowa Petroleum Council - Div. of API	Des Moines	IA
Mary	Klemesrud	Iowa Recycling Association		
Mary Lou	Freeman	Iowa State Senator	Alta	IA
Jim	Olson	Iowa Waste Reduction Center	Cedar Falls	IA
Tom	Junge	Iowa-Nebraska Equipment Dealers Association	West Des Moines	IA
Edward	Lavine	McRae Combustion		TX
Harrell	McRae	McRae Combustion		TX
Gregory K.	Griggs	MEMA Environmental Institute, Inc.	Research Triangle Park	NC
Joe	Kelly	Midwest Automotive Wholesalers Association / Iowa Tire Dealers Association	Des Moines	IA
Darrel	Reuss	Oil Filter Recyclers of Illinois	Easton	IL
Dawn	Carlson	Petroleum Marketers of Iowa	West Des Moines	IA
Mark	Stephens	Product Recovery & Recycling	Fort Calhoun	NE
Bob	Willett	Safety Kleen	Des Moines	IA
Bruce	Cockram	Safety Kleen	Des Moines	IA
John	Datka	Sal Service, Inc.	Milwaukee	WI
Anna	Holmstrom	Scott Area Solid Waste Management Commission	Buffalo	IA
Keith	Krambeck	Scott Area Solid Waste Management Commission	Buffalo	IA
Fred	Bovee	State Wide Metal Recycling	Des Moines	IA
Dave	Keeling	Steel Recycling Institute	Greenfield	WI
Brian	Mitchell	US EPA - Region VII	Kansas City	KS
George L.	Curry	US EPA - Region VII	Kansas City	KS



OUTAGAMIE COUNTY

DEPARTMENT OF PUBLIC WORKS DIVISION OF SOLID WASTE

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Memo

Post-it® Fax Note	7671	Date	2-17	# of pages	6
To	Rep. Marc Buff	From	Jeanine Knapp		
Co./Dept.	Comm on Environ.	Co.	Outagamie County		
Phone #	306 North	Phone #	920 832 4710		
Fax #	608 2667038 382-5698	Fax #	920 788 4130		

To: Assembly Committee on Environment Members

From: Jeanine Hunkele Knapp, Recycling Coordinator *Jeanine*

Subject: AB 701 Landfill Ban on Oil Filters

Date: February 17, 1998

In lieu of appearing at the Public Hearing scheduled for this afternoon at the Capital, please accept the following comments. I hope that you will consider this added background information before making a decision on the oil filter landfill ban.

The enclosed memo and meeting summary were sent to legislators representing Northeast Wisconsin. As I understand the process, the bill is currently under review by your Committee and therefore, thought it would be helpful for you to have these comments also.

Thank you for your consideration.

TESTIMONY
OF
PAUL KOZIAR
WISCONSIN DEPARTMENT OF NATURAL RESOURCES
BUREAU OF WASTE MANAGEMENT
BEFORE THE
ASSEMBLY COMMITTEE ON THE ENVIRONMENT
ON
1997 ASSEMBLY BILL 701

GOOD AFTERNOON. MY NAME IS PAUL KOZIAR AND I AM REPRESENTING THE DEPARTMENT OF NATURAL RESOURCES. I WOULD LIKE TO THANK THE COMMITTEE FOR ALLOWING THE DEPARTMENT TO OFFER ITS COMMENTS ON THIS PROPOSED BILL. OUR COMMENTS WILL BE BRIEF.

THIS BILL REPRESENTS ANOTHER POSITIVE STEP FORWARD IN WISCONSIN'S GREAT TRADITION OF CONTINUING TO IMPROVE THE ENVIRONMENT. WE WOULD LIKE TO OFFER THE COMMITTEE THIS AFTERNOON THREE SUGGESTIONS THAT THE COMMITTEE MAY WISH TO CONSIDER WHICH WE BELIEVE WILL ENHANCE THE POSITIVE DIRECTION OF THE BILL.

FIRST. THE PHASED IN APPROACH TO THE BAN ON USED OIL FILTERS BEGINNING IN THE YEAR 2000 IS A GOOD IDEA BECAUSE IT ALLOWS THE INFRASTRUCTURE TO DEVELOP TO RESPOND TO THE BAN. WE BELIEVE HOWEVER THAT **THE BAN CURRENTLY IN THE BILL SHOULD BE MODIFIED TO ONLY APPLY TO COMMERCIAL ESTABLISHMENTS AT THIS TIME.** COMMERCIAL ESTABLISHMENTS ROUTINELY DEAL WITH THE DISPOSAL OF THIS ITEM AND HAVE THE ABILITY TO BOTH COVER THE COST OF THE PROCESSING NOW AND IN THE FUTURE THROUGH CUSTOMER FEES AND TO DEAL WITH THE STORAGE OF THE WASTE. ALTHOUGH THE BILL PROVIDES FOR A FUNDING MECHANISM TO COMMUNITIES TO ADDRESS SOME OF THE ISSUES, WE WOULD ASK THAT THE COMMITTEE CONSIDER MODIFYING THE BILL TO POSTPONE THE BAN ON USED OIL FILTERS BEING GENERATED BY DO-IT YOURSELFERS TO ALLOW THIS ISSUE TO BE EXAMINED FURTHER.

SECOND. THE MECHANISM THAT WE SUGGEST TO EXAMINE THE ISSUE OF THE DO-IT-YOURSELFER IS TO **ESTABLISH AN ADVISORY BODY OF BOTH PUBLIC AND PRIVATE INTERESTS,** A SO CALLED **USED OIL FILTER STEWARDSHIP BODY** TO ADVISE THE LEGISLATURE ON THE MOST APPROPRIATE, MOST COST EFFECTIVE, AND MOST EFFICIENT MECHANISMS TO EFFECTIVELY HAVE DO-IT YOURSELFERS RECYCLE THEIR USED OIL FILTERS. THE ADVISORY BODY SHOULD HAVE A VERY LIMITED TIME FRAME AND ITS RECOMMENDATIONS SHOULD BE PRESENTED TO THE LEGISLATURE WELL BEFORE THE EFFECTIVE DATE OF THE BAN. A REASONABLE TIME FRAME WOULD BE ONE YEAR FROM THE EFFECTIVE DATE OF THE BILL. WE BELIEVE THIS ADVISORY BODY CAN BE A MODEL FOR OTHER PUBLIC- PRIVATE PARTNERSHIPS TO ADDRESS OTHER SIMILAR ISSUES.

THIRD. CONSISTENT WITH THE RECOMMENDATION RELATED TO THE ADVISORY BODY **THE DEPARTMENT RECOMMENDS DELETING THE GRANT ELIGIBILITY FOR OIL FILTER EXPENSES TO RESPONSIBLE UNITS.** TODAY FUNDING TO RESPONSIBLE UNITS COVERS ONLY 57% OF ELIGIBLE COSTS FOR THEIR RECYCLING PROGRAMS. THE ADDITIONAL EXPENSES TO COVER OIL FILTER RECYCLING WOULD STRETCH THE FUNDS AVAILABLE

EVEN THINNER. INSTEAD, WE RECOMMEND PROVIDING FUNDS FROM THE RECYCLING FUND TO PROMOTE USED OIL FILTER RECYCLING PRIOR TO THE BAN AND TO CONDUCT ANY ACTIVITIES INCLUDING STUDIES RECOMMENDED BY THE ADVISORY BODY.

WE BELIEVE THESE RECOMMENDATIONS OFFERED FOR YOUR CONSIDERATION WILL ALLOW THE LEGISLATURE SUFFICIENT TIME TO EXAMINE THIS ISSUE IN GREATER DETAIL AND POSSIBLY PROVIDE SOME OPPORTUNITIES TO ENHANCE THE REUSE OF WASTE OIL FILTERS FOR COMMERCIAL GENERATORS AS WELL AS DO-IT-YOURSELF

THANK YOU AGAIN FOR ALLOWING US TO PROVIDE COMMENTS AND TO ANSWER ANY QUESTIONS YOU MAY HAVE.

MIDWEST



EQUIPMENT DEALERS ASSOCIATION

13 Odana Court • Madison, Wisconsin 53719 • 608-276-6700 • Fax 608-276-6719
Mailing Address: P.O. Box 44364 • Madison, Wisconsin 53744-4364

Assembly Committee on the Environment
Wisconsin Assembly
State Capitol
Madison, WI

Re: AB 701 -- Recycling of Automotive Oil Filters

Dear Committee Members:

The Midwest Equipment Dealers Association ("MEDA") represents farm, construction and power equipment dealerships throughout Wisconsin. MEDA opposes adoption of AB 701 at this time.

Meda members work with oil filters daily and have a keen interest in proper handling of used filters as well as protection of the environment. MEDA members comply with current regulations on proper handling and disposal.

MEDA's concerns about AB 701 are:

1. Whether there is a pressing environmental need: MEDA has seen no data showing that current methods are adversely affecting the environment or that landfills sited and operated under current regulations are unable to handle used filters.
2. Whether recycling programs will be readily available to all members by January 1, 2000: While recycling programs for used oil filters currently exist and are used by some MEDA members, we are concerned that such programs do not service some rural areas and that a landfill ban will cause undue hardship.
3. MEDA is concerned that this legislation is being rushed through without adequate opportunity to assess its need or impact. On this basis, MEDA opposes adoption of AB 701 at this time.

Sincerely,

Gary Manke
Executive Vice President

Gary L. Antoniewicz
Legal Counsel

*Serving Farm, Industrial, Dairy, Farmstead Mechanization,
and Outdoor Power Equipment Dealers throughout Illinois and Wisconsin*



AFFILIATE OF NORTH AMERICAN EQUIPMENT DEALERS ASSOCIATION





GOVERNMENT RELATIONS & ASSOCIATION MANAGEMENT

February 16, 1998

MEMORANDUM

TO: Members of the Assembly Committee on the Environment

FROM: Janet R. Swandby, Lobbyist *JRS*
Wisconsin Automotive Trades Association (WATA)

RE: **Opposition to AB 701- recycling of automotive oil filters**

The Wisconsin Automotive Trades Association (WATA) opposes AB 701. While the retail gasoline station and automobile repair shop owners fully support efforts to protect the environment, mandating the recycling of automotive oil filters would have very little direct benefit. The benefits of the bill will be few, but the legislation would place undue burdens on service station owners.

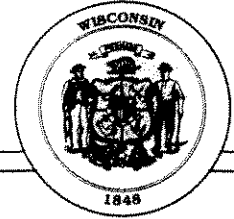
While we understand the concerns of proponents of this legislation, this bill is not needed. Under current law, before oil filters can be placed in a landfill, they must be drained of oil. Furthermore, the oil filters themselves are nothing more than tin-plated steel. These materials are not on the EPA list of hazards and are considered to be nontoxic. Thus, passage of this legislation would accomplish nothing in terms of reducing the amount of hazardous material in landfills.

Additionally, this legislation does not address the problem of individual automobile owners who change their oil by themselves and simply dispose of the oil filter in the household garbage. Unless municipal officials intend to search the garbage of individual homes, there is simply no way to insure that a large percentage of oil filters will indeed be recycled.

Finally, this legislation will place an unfair burden on the automobile repair shop owners. In order to comply, these business owners would need to drain the filters, throw them in a storage bin, and have them picked up and recycled. This will add costs to the service facility that will not be met by individuals who change the oil in their cars themselves.

While WATA fully supports recycling efforts and other programs designed to improve the environment, we encourage the legislature to defeat this flawed piece of legislation. Not only would the bill do little in terms of decreasing the amount of hazardous waste in landfills, but it would unfairly burden automobile repair and service station owners who change and properly dispose of used oil and oil filters.

SHEILA E. HARSDORF
State Representative
Wisconsin's 30th Assembly District



**Testimony of Representative Sheila Harsdorf
Before the Assembly Committee on Environment
1997 Assembly Bill 701
February 17, 1998**

Thank you Chairman Duff and committee members. My name is Kathy Persen. I am appearing on behalf of Rep. Harsdorf, the author of the bill, who is unable to be in attendance this afternoon due to a speaking engagement in the district which was scheduled several months ago. I appreciate this opportunity to appear before you to convey Representative Harsdorf's strong support for Assembly Bill 701.

Assembly Bill 701 was introduced for two reasons:

First. There is information that indicates that even while used oil filters are hot-drained and/or crushed as required by current law and in compliance with EPA regulations, significant amounts of oil still remain. This oil is currently ending up in our landfills. While reports vary as far as the amount of oil being landfilled, from 180,000 to nearly 300,000 gallons annually, we should not minimize the impact this oil has on our environment.

Second. With limited landfill space available, we ought not be continually dumping materials which are recyclable. Assembly Bill 701 would further maximize the life of landfills in Wisconsin. A recent survey of Wisconsin businesses indicates that there are potentially more than 3 million oil filters landfilled annually.

By encouraging the recycling of used oil filters, the market that already exists will have the opportunity to further expand, creating more businesses and more jobs throughout the state.

We are very cognizant of the potential impact a landfill ban of oil filters would have on municipalities and businesses. In order to minimize the impacts, the bill was drafted with a delayed effective date to ensure ample time for infrastructure development.

While there have been a number of concerns raised since the introduction of the bill, we have been working with a number of groups and Representative Harsdorf is willing to work with the Committee Chair and members to resolve those issues of concern. Some recommendations which are being considered at present include:

Establishing a public-private partnership, such as the one in Pennsylvania, to encourage the participation and involvement of the private sector in developing and implementing sound, practical and efficient recycling policies.

Providing financial incentives to promote not only the recycling of used oil filters but also to encourage the development and use of the recycled products.

Assembly Bill 701 is good legislation which offers to further strengthen Wisconsin's recycling laws. We believe that many good recommendations have been put forth by interested parties and we will continue to work together to enhance this bill in order to promote the recycling of used oil filters in Wisconsin.

Thank you again for the opportunity to provide Representative Harsdorf's comments. I would be happy to answer any questions you may have.

MEMBER: JOINT COMMITTEE ON FINANCE

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