

Scott H. Chew proposes the following substitute bill:

Used Oil Management Act Amendments

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Scott H. Chew

Senate Sponsor: Keven J. Stratton

LONG TITLE

General Description:

This bill makes changes to the Used Oil Management Act.

Highlighted Provisions:

This bill:

- increases the recycling fee on the sale of lubricating oil beginning on July 1, 2026;
- grants rulemaking authority to the Division of Waste Management and Radiation Control (division) to set the recycling fee on the sale of lubricating oil beginning on July 1, 2027;
- requires the division to notify the State Tax Commission of a fee change 90 days before the fee change goes into effect;
- clarifies that the division may use grant funding to hire permitted transporters as part of a curbside used oil collection program; and
- makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

19-6-714, as last amended by Laws of Utah 2011, Chapter 297

19-6-715, as last amended by Laws of Utah 2020, Chapter 354

19-6-717, as last amended by Laws of Utah 2012, Chapter 360

19-6-720, as enacted by Laws of Utah 1993, Chapter 283

REPEALS:

19-6-701, as enacted by Laws of Utah 1993, Chapter 283

29 *Be it enacted by the Legislature of the state of Utah:*

30 Section 1. Section **19-6-714** is amended to read:

31 **19-6-714 . Recycling fee on sale of oil.**

32 (1)(a) [~~On and after~~] Beginning on October 1, 1993, and ending on June 30, 2026, a
 33 recycling fee of [~~\$.04 per quart or \$.16 per~~] 4 cents per quart or 16 cents per gallon is
 34 imposed upon the first sale in Utah by a lubricating oil vendor of lubricating oil.

35 (b) Beginning on July 1, 2026, and ending on June 30, 2027, a recycling fee of 8 cents
 36 per quart or 32 cents per gallon is imposed upon the first sale of lubricating oil in
 37 Utah by a lubricating oil vendor.

38 (c) Beginning on July 1, 2027, the division shall establish a fee upon the first sale of
 39 lubricating oil in Utah by a lubricating oil vendor, in accordance with Title 63J,
 40 Chapter 1, Budgetary Procedures Act.

41 ~~§→ [(d) The division shall notify the commission at least 90 days before a fee change.] ←§~~
 42 ~~§→ [described in this Subsection (1) goes into effect.]~~

42a **(d) A fee change described in Subsection (1)(c) is effective:**

42b **(i) on the first day of a calendar quarter; and**

42c **(ii) no sooner than 90 days after the day on which the division notifies the**
 42d **commission of the fee change. ←§**

43 (2) [~~The~~] A lubricating oil vendor shall collect the fee described in Subsection (1) at the
 44 time the lubricating oil is sold.

45 [~~(2)~~] (3) A fee under this section may not be collected on sales of lubricating oil:

46 (a) shipped outside the state;

47 (b) purchased in five-gallon or smaller containers and used solely in underground
 48 mining operations; or

49 (c) in bulk containers of 55 gallons or more.

50 [~~(3)~~] (4) [~~This fee-~~] A fee under this section is in addition to all other state, county, or
 51 municipal fees and taxes imposed on the sale of lubricating oil.

52 [~~(4)~~] (5) The exemptions from sales and use tax provided in Section 59-12-104 do not apply
 53 to this part.

54 [~~(5)~~] (6) The commission may make rules to implement and enforce the provisions of this
 55 section.

56 Section 2. Section **19-6-715** is amended to read:

57 **19-6-715 . Recycling fee collection procedures.**

58 (1) A lubricating oil vendor shall pay the fee collected under Section 19-6-714 to the

59 commission:

60 (a) monthly on or before the last day of the month immediately following the last day of
61 the previous month if:

62 (i) the lubricating oil vendor is required to file a sales and use tax return with the
63 commission monthly under Section 59-12-108; or

64 (ii) the lubricating oil vendor is not required to file a sales and use tax return under
65 Title 59, Chapter 12, Sales and Use Tax Act; or

66 (b) quarterly on or before the last day of the month immediately following the last day of
67 the previous quarter if the lubricating oil vendor is required to file a sales and use tax
68 return with the commission quarterly under Section 59-12-107.

69 (2) A lubricating oil vendor may retain [~~a maximum of~~] no more than 2% of the recycling
70 fee [~~it~~] the lubricating oil vendor collects under Section 19-6-714 for the costs of
71 collecting the fee.

72 (3) The payment of the fee to the commission shall be accompanied by a form provided by
73 the commission.

74 Section 3. Section **19-6-717** is amended to read:

75 **19-6-717 . Used oil collection incentive payment.**

76 (1)(a) The division shall pay a recycling incentive to registered DIYer used oil collection
77 centers and curbside collection programs approved by the director for each gallon of
78 used oil:

79 (i) collected from DIYer used oil generators [~~on and after July 1, 1994,~~] ; and

80 (ii) transported by a permitted used oil transporter to a permitted used oil processor,
81 rerefiner, burner, or to another disposal method authorized by board rule.

82 (b) Payment of the incentive is subject to Section 19-6-720 regarding priorities.

83 (2) The board shall by rule establish the amount of the payment, which shall be [~~\$.16~~] 16
84 cents per gallon unless the board determines the incentive should be:

85 (a) reduced to ensure adequate funds to meet priorities set in Section 19-6-720 and to
86 reimburse all qualified operations under this section; or

87 (b) increased to promote collection of used oil under this part and the funds are available
88 in the account created under Section 19-6-719 after meeting the priorities set in
89 Section 19-6-720.

90 Section 4. Section **19-6-720** is amended to read:

91 **19-6-720 . Grants and donations -- Support for programs -- Priorities.**

92 (1) The division may solicit or request and receive gifts, grants, donations, and other

- 93 assistance from any source. Funds or resources received shall be deposited in the
94 account created in Section 19-6-719 and shall be appropriated to the division for the
95 management of DIYer used oil under this part subject to priorities set in Subsection (2).
- 96 (2) Appropriations received by the division shall be expended, as available, for the
97 management of DIYer used oil under this part in the following order of priority:
- 98 (a) first, division and board costs of implementation;
- 99 (b) second, recycling incentive payments under Section 19-6-717;
- 100 (c) third, public education programs;
- 101 (d) fourth, awarding grants as funds are available for the establishment of the following,
102 with emphasis on providing used oil collection facilities and programs in rural areas:
- 103 (i) used oil collection centers; and
- 104 (ii) curbside used oil collection programs, including costs of retrofitting trucks,
105 curbside containers, hiring permitted transporters described in Subsection
106 19-6-710(2), and other costs of curbside collection programs; and
- 107 (e) fifth, provide funding to local health departments for enforcement of the
108 management of DIYer used oil under this part in coordination with the board.
- 109 (3) In awarding grants under Subsection (2)(d), the board shall work with governmental
110 entities in areas of the state where used oil collection centers are limited or do not exist,
111 or where public access to the centers is limited, to promote the establishment of DIYer
112 used oil collection centers.

113 **Section 5. Repealer.**

114 This bill repeals:

115 Section **19-6-701, Short title.**

116 **Section 6. Effective Date.**

117 This bill takes effect on May 6, 2026.