

Status Update: Used Oil Discretionary Allocation, Fiscal Year 2010/11

This document describes CalRecycle's tentative plan for the discretionary allocation set aside for fiscal year (FY) 2010/11 Used Oil program activities identified in the California Oil Recycling Enhancement Act (CORE Act). Consistent with the intent of Senate Bill 546 (Lowenthal, Statutes of 2009, Chapter 353), staff is planning to use the FY 2010/11 allocation, which is \$1.5 million, for a contract(s) to conduct a statewide education and outreach campaign with a focus on the following activities:

- Continue public education efforts on the "3,000 mile myth" campaign (2007);
- Promote Used Oil Certified Collection Centers; and
- Initiate an education and collection campaign for used oil filters.

Staff from the Financial Resources Management Branch and the Public Affairs Office will jointly develop the Scope of Work and pertinent documents to enter into a contract with the appropriately skilled contractor(s) to carry out the activities identified above. The Scope(s) of Work will be presented for stakeholder input and subsequent management approval at the December CalRecycle monthly meeting.

Program Background

One goal of the CORE Act is to provide funding for activities that reduce the amount of illegally disposed used oil, recycle used oil/used oil filters, and reclaim used oil. Public Resources Code section 48632 authorizes CalRecycle to fund grants and contracts to carry out these activities. Discretionary funding for used oil programs has declined since 1994, from a high of \$9.5 million to the current allocation of \$1.5 million (for FY 2010/11). The reduced allocation and feedback obtained from stakeholders over the last two years make it imperative to identify viable uses that will result in more effective statewide program benefits.

While the passage of SB 546 made changes to the CORE Act, the essence of the discretionary Used Oil programs remained unchanged. CalRecycle should continue to promote public/private partnerships and expand project opportunities to improve the overall effectiveness of statewide programs. Notable changes to the discretionary Used Oil program include the following:

- Allows contracts or grants to public, private and non-profit entities based on program needs;
- Combines the previous three independent grant programs into a single program;
- Removes statutorily imposed funding levels; and
- Increases emphasis on recycling used oil filters.

Staff's proposal to implement a refocused effort with the discretionary used oil funds is also largely based on stakeholder feedback. Since the last competitive grants cycle was offered in FY 2007/08, staff was committed to soliciting feedback from stakeholders on how to improve the Used Oil competitive programs. A series of stakeholder workshops conducted around the state in 2008 solicited input from local jurisdictions and consultants, of which many were incorporated by the authors of SB 546. Input was also obtained from annual grant reports, discussions at quarterly Household Hazardous Waste Information Exchange meetings, and the annual Used Oil/Household Hazardous Waste Conference.

The following highlights stakeholder input:

- Offer activities that reflect the real needs of local jurisdictions;
- Develop a statewide public education campaign that all jurisdictions can utilize and customize for their jurisdictions;
- Develop more media outreach materials that build on the "3,000 mile myth" campaign;
- Work with the corporate auto store retail establishments to collect/recycle used oil filters;
- Provide more training to local agency staff on improving UO collection programs and recruiting Certified Collection Centers; and
- Promote more "best practices" and successful grant projects for replication in other communities.

Considering the reduced funding available for FY 2010/11 and that there is large stakeholder support for CalRecycle to conduct a statewide education campaign, staff will present the proposed Scope(s) of Work at the December 15, 2010, meeting. If approved, staff will then conduct the contract solicitation process, with contract award anticipated in May 2011.