

HOUSE RESEARCH

Bill Summary

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Subject: Renewable motor oil mandate

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Overview

Beginning on January 1, 2020, this bill would require lubricating oil sold for use in cars, light-duty trucks, and vans to contain at least 25 percent biodegradable, biobased content. It would be illegal to sell lubricating with less than 25 percent biobased content unless the governor temporarily lowers the content mandate due to price issues or the Minnesota Department of Commerce temporarily suspends the mandate due to supply or quality problems.

Section

1 Lubricating oil renewable content.

Subdivision 1. Definitions. Defines several key terms, including “biobased content,” “biodegradable,” “renewable lubricating oil,” and “minimal federal standards for biodegradability.”

Subd. 2. Renewable lubricating oil requirements. Prohibits the sale of lubricating oil that: (1) does not contain at least 25 percent biodegradable, biobased content, and (2) is not certified to meet current automotive industry standards. Requires the Department of Commerce to monitor the price of renewable and standard lubricating oils in the region. Authorizes the governor to temporarily reduce the biobased content mandate to no less than five percent when the relatively high price of renewable lubricating oil is likely to cause economic hardship to retailers in the state. Authorizes the Department of Commerce to temporarily suspend the biobased content mandate upon determining that supply or quality issues exist.

Subd. 3. Exemptions. Exempts certain manufacturers and products from the content mandate. A manufacturer would be exempt if the manufacturer’s gross sales

Section

of all lubricating oil do not exceed \$1,000,000 in a calendar year. A specialty lubricating oil would be exempt if gross sales of the product do not exceed \$100,000 in a calendar year. As noted below, the law takes effect on January 1, 2020; any noncompliant lubricating oil on the premises of a retail outlet and available for point-of-sale purchase on July 1, 2019, may be sold until January 1, 2022.

Effective date. This act is effective January 1, 2020.