

**Introduced by Senator Correa  
(Principal coauthor: Senator Block)  
(Coauthor: Senator Galgiani)**

January 27, 2014

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An act to add Section 12405 to, and to add Article 7.7 (commencing with Section 10409.1) to Chapter 2 of Part 2 of Division 2 of, the Public Contract Code, and to add Chapter 5.8 (commencing with Section 42359) to Part 3 of Division 30 of the Public Resources Code, relating to biosynthetic lubricants.

**legislative counsel's digest**

SB 916, as introduced, Correa. Biosynthetic lubricants: procurement: sale.

(1) Existing law requires state agencies and contractors with state agencies to purchase lubricating oil, as defined, and industrial oil, as defined, containing the greatest percentage of recycled oil, unless a specified certification is made. Existing law also requires local agencies to purchase lubricating oil and industrial oil that contains recycled oil if the product meets specified conditions.

This bill would require a state agency and any person or entity contracting with, or receiving a grant from, a state agency that purchases lubricating oil, on and after January 1, 2016, to purchase only biosynthetic lubricant that meets or exceeds minimal standards for biodegradability, as defined. The bill would require the Department of General Services, by January 31, 2016, to provide language for a state agency to include in a contract or grant implementing these provisions. The bill would authorize a state agency, city, county, city and county, or district to purchase biosynthetic lubricant that meets or exceeds minimal standards for biodegradability, as specified.

(2) The California Oil Recycling Enhancement Act, administered by the Department of Resources Recycling and Recovery, imposes a charge upon the sale of lubricating oil, for deposit in the California Used Oil Recycling Fund, and continuously appropriates money from the fund to the department to provide, among other things, grants and contracts to local governments, nonprofit entities, and private entities and recycling incentives to every industrial generator, curbside collection program, and certified used oil collection center for collected or generated used lubricating oil. Existing law prohibits the sale of engine oil and lubricating oil unless the product conforms to certain specifications.

This bill would prohibit on and after January 1, 2017, the sale of lubricating oil in the state unless the lubricating oil meets certain requirements, including meeting or exceeding the minimal standards for biodegradability, as specified. The bill would authorize, on and after January 1, 2016, the Director of Resources Recycling and Recovery, in consultation with an advisory committee established by the bill as specified, to grant a one-year extension from these requirements if the director finds that the lubricating oil is not commercially available. The bill would require the department to inform local agencies and individuals of the benefits of biosynthetic lubricating oils.

(3) Existing law requires the Department of General Services, in consultation with the California Environmental Protection Agency, members of the public, industry, and public health and environmental organizations, to provide state agencies with information and assistance regarding environmentally preferable purchasing.

This bill would require the Department of General Services to maintain and update, on the department's Internet Web site, a list that contains the names of lubricating oil products that meet or exceed the minimal standards of biodegradability, as specified. The bill would require the department to transmit a copy of this list to the Office of the President of the University of California to facilitate the University of California's procurement efforts.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. (a) The Legislature finds and declares all of the  
2 following:

1 (1) The United States Environmental Protection Agency (EPA)  
2 now considers pollution from all diffuse sources, including urban  
3 stormwater pollution, to be the most important source of  
4 contamination in our nation’s waters.

5 (2) The EPA ranks urban runoff and storm sewer discharges as  
6 the second most prevalent source of water quality impairment in  
7 our nation’s estuaries and the fourth most prevalent source of water  
8 quality impairment in our lakes.

9 (3) Although the effects of runoff on specific waters vary and  
10 are often not fully assessed, pollutants carried by runoff are known  
11 to have potentially harmful effects on drinking water supplies,  
12 recreation, fisheries, and wildlife.

13 (4) Among the pollutants in runoff are petroleum oil and oil  
14 byproducts, which have been shown to contain harmful  
15 constituents, including metals and polycyclic aromatic  
16 hydrocarbons.

17 (5) Most of California’s population lives in urban and coastal  
18 areas where the water resources are highly vulnerable to, and are  
19 often severely degraded by, urban runoff.

20 (6) Polluted storm water poses risks to public health and the  
21 ecology of local waterways.

22 (7) A significant source of storm water pollution will be reduced  
23 with the introduction of new technologies, such as biosynthetic  
24 lubricants, that will improve water and air quality in the state and  
25 reduce greenhouse gas (GHG) emissions.

26 (8) Biosynthetic lubricants have shown GHG reductions of as  
27 much as 88 percent, as compared to similar petroleum-based  
28 synthetic lubricating oils.

29 (9) Used motor oil is the largest volume of hazardous waste  
30 generated in California, with approximately 150 million gallons  
31 of motor oil purchased every year, generating over 90 million  
32 gallons of used oil. However, only about 76 million gallons are  
33 actually collected, and only about 10 to 12 million gallons are  
34 actually rerefined into motor oil. Most of the used oil is shipped  
35 out-of-state and burned as fuel, producing GHG emissions.

36 (10) An estimated 14 to 16 million gallons of motor oil are  
37 illegally dumped, ending up in rivers, streams, and lakes, degrading  
38 drinking water supplies, and adding to storm water and coastal  
39 pollution. The remaining gallons are lost in use, either burned in  
40 the combustion chamber of an engine, or dripped onto streets and

1 parking lots, creating a “silent oil spill” of approximately 60 million  
2 gallons annually.

3 (11) Technologies now exists to supply a high-performance,  
4 biobased, biodegradable blend of lubricating oil for use in gasoline  
5 and diesel engines in passenger cars, light-duty trucks, and vans.  
6 These biosynthetic lubricating oils have performance qualities  
7 similar to or superior than other synthetic lubricants, with added  
8 environmental and public health benefits.

9 (12) Independent testing shows not only that biosynthetic oils  
10 are among the highest rated products for protecting engines and  
11 machinery, thereby likely improving fuel efficiency, but they are  
12 also biobased, biodegradable, and do not bioaccumulate in marine  
13 organisms.

14 (13) The United States Department of Agriculture’s BioPreferred  
15 Program, which imposes procurement preferences on federal  
16 agencies and contractors for the purchase of biobased products,  
17 recently added a preference for motor oil, for certain diesel and  
18 gasoline engines, that have at least 25 percent biobased content.

19 (14) Biosynthetic lubricating oils degrade more rapidly than  
20 petroleum-based lubricants and are less toxic, thus greatly reducing  
21 environmental and public health risks. Thus, these new  
22 technologies will not only save the State of California and  
23 consumers money, but will improve air and water quality and  
24 reduce GHG emissions.

25 (15) Used motor oil that is recycled and rerefined into motor  
26 oil can benefit from this new technology by blending the recycled  
27 oil with high-performance, biobased, biodegradable products that  
28 have greater environmental and public health benefits.

29 (16) By increasing the content of biobased products in  
30 lubricating oils, California taxpayers will benefit from lower costs  
31 of complying with the federal Clean Water Act (33 U.S.C. Sec.  
32 1251 et seq.).

33 (b) The Legislature further finds and declares all of the  
34 following:

35 (1) This act would implement a policy of the state to require  
36 state agencies, when servicing fleet vehicles, to request the use of  
37 biosynthetic lubricating oil, when available.

38 (2) The use of biosynthetic lubricating oil, as provided by this  
39 act, will further the state’s policy of reducing the state fleet’s  
40 petroleum consumption and protecting the environment.

1 (3) The use of biosynthetic lubricating oil, as provided by this  
2 act, will help reduce overall petroleum consumption and aid the  
3 state in achieving its goals of reducing GHG emissions.

4 (4) Vehicles using synthetic and biosynthetic lubricating oils  
5 require fewer oil changes, extending oil change intervals and thus  
6 reducing the quantity of lubricating oil used over the life of the  
7 vehicle.

8 (5) While the cost of synthetic and biosynthetic lubricating oil  
9 maybe higher than conventional motor oil, when balanced against  
10 the longer oil change interval, using synthetic and biosynthetic  
11 oils becomes less expensive in the long term.

12 (6) The benefits of longer intervals between oil changes, the  
13 reduced consumption of lubricating oil over the life of the vehicle,  
14 improved fuel efficiency, the reduction in GHG emissions, and  
15 the benefits to public health and the environment make biosynthetic  
16 lubricating oil a cost-effective alternative to petroleum-based  
17 lubricating oil.

18 SEC. 2. Article 7.7 (commencing with Section 10409.1) is  
19 added to Chapter 2 of Part 2 of Division 2 of the Public Contract  
20 Code, to read:

21  
22 Article 7.7. Biosynthetic Lubricant Procurement

23  
24 10409.1. The following definitions govern the construction of  
25 this article:

26 (a) “ASTM” means the American Society for Testing and  
27 Materials.

28 (b) “Biobased content” means the amount of biobased carbon  
29 within a biosynthetic lubricant, expressed as a percent of total  
30 weight (mass) of the organic carbon within the product, as  
31 determined by using the ASTM D6866-12 (standard test methods  
32 for determining the biobased content of solid, liquid, and gaseous  
33 samples using radiocarbon analysis), as that test method read on  
34 January 1, 2013.

35 (c) “Biobased product” means a product that is any of the  
36 following:

37 (1) Composed, in whole or in significant part, of biological  
38 products, including renewable agricultural materials, algae, and  
39 forestry materials.

1 (2) An intermediate ingredient or feedstock material or  
2 compound made in whole or in significant part from biological  
3 products, including renewable agricultural materials, including  
4 plant, animal, and marine materials, including algae, or forestry  
5 materials, that are subsequently used to make a more complex  
6 compound or product.

7 (d) (1) “Biodegradable” means a substance that meets one of  
8 the following requirements, under the conditions specified in  
9 paragraph (2):

10 (A) The substance can demonstrate the removal of at least 70  
11 percent of dissolved organic carbon.

12 (B) The substance produces at least 60 percent theoretical carbon  
13 dioxide.

14 (C) The substance consumes at least 60 percent of the theoretical  
15 oxygen demand.

16 (2) The substance meets the requirements specified in paragraph  
17 (1) within 28 days of use, as determined under one of the following  
18 test methods, as those test methods read on January 1, 2013:

19 (A) OECD Test No. 301 A-F.

20 (B) OECD Test No. 306.

21 (C) OECD Test No. 310.

22 (D) ASTM D5862-2006 standard test method.

23 (E) ASTM D7373-2007 standard test method

24 (e) “Biosynthetic lubricant” means a lubricating oil that contains  
25 a biobased product.

26 (f) “Lubricating oil” means oil intended for use in an internal  
27 combustion gasoline or diesel engine used in passenger cars,  
28 light-duty trucks, or vans.

29 (g) “Minimal standards for biodegradability” means that the  
30 amount of biobased content within the lubricating oil is not less  
31 than 25 percent and that the biobased content is biodegradable.

32 (h) “OECD” means the Organisation for Economic Co-operation  
33 and Development.

34 (i) “Procuring agency” means any state agency or any person  
35 or entity contracting with, or receiving a grant from, that agency.

36 10409.2. (a) (1) On and after January 1, 2016, every procuring  
37 agency that purchases lubricating oil shall only purchase  
38 biosynthetic lubricant that meets or exceeds minimal standards for  
39 biodegradability.

1 (2) Before January 31, 2016, the Department of General Services  
2 shall provide language for a state agency to include in a contract  
3 or grant that implements the provisions of this subdivision.

4 (b) On and after January 1, 2017, every procuring agency shall  
5 purchase lubricating oil from a seller that is in compliance with  
6 Section 42359.1 of the Public Resources Code.

7 10409.3. Notwithstanding any other law, when procuring  
8 lubricating oil for gasoline or diesel engines used in passenger  
9 cars, light trucks, and vans, a state agency, city, county, city and  
10 county, and district, including a school district and a community  
11 college district, may purchase biosynthetic lubricants that have a  
12 biobased content that meets or exceeds minimal standards for  
13 biodegradability.

14 SEC. 3. Section 12405 is added to the Public Contract Code,  
15 to read:

16 12405. (a) The Department of General Services shall maintain  
17 and update, on the department’s “Buying Green” Internet Web  
18 site, a list that contains the names of lubricating oil products that  
19 meet or exceed the minimal standards for biodegradability, as  
20 defined in Section 10409.1.

21 (b) The Department of General Services shall transmit a copy  
22 of the list described in subdivision (a) to the Office of the President  
23 of the University of California to facilitate the University of  
24 California’s procurement efforts.

25 SEC. 4. Chapter 5.8 (commencing with Section 42359) is added  
26 to Part 3 of Division 30 of the Public Resources Code, to read:

27  
28 **Chapter 5.8. Biosynthetic Lubricant**  
29

30 42359. The following definitions govern the construction of  
31 this chapter:

32 (a) “ASTM” means the American Society for Testing and  
33 Materials.

34 (b) “Biobased content” means the amount of biobased carbon  
35 within a biosynthetic lubricant, expressed as a percent of total  
36 weight (mass) of the organic carbon within the product, as  
37 determined by using the ASTM D6866-12 (standard test methods  
38 for determining the biobased content of solid, liquid, and gaseous  
39 samples using radiocarbon analysis), as that test method read on  
40 January 1, 2013.

1 (c) “Biobased product” means a product that is any of the  
2 following:

3 (1) Composed, in whole or in significant part, of biological  
4 products, including renewable agricultural materials, algae, and  
5 forestry materials.

6 (2) An intermediate ingredient or feedstock material or  
7 compound made in whole or in significant part from biological  
8 products, including renewable agricultural materials, including  
9 plant, animal, and marine materials, including algae, or forestry  
10 materials, that are subsequently used to make a more complex  
11 compound or product.

12 (d) (1) “Biodegradable” means a substance that meets one of  
13 the following requirements, under the conditions specified in  
14 paragraph (2):

15 (A) The substance can demonstrate the removal of at least 70  
16 percent of dissolved organic carbon.

17 (B) The substance produces at least 60 percent theoretical carbon  
18 dioxide.

19 (C) The substance consumes at least 60 percent of the theoretical  
20 oxygen demand.

21 (2) The substance meets the requirements specified in paragraph  
22 (1) within 28 days of use, as determined under one of the following  
23 test methods, as those test methods read on January 1, 2013:

24 (A) OECD Test No. 301 A-F.

25 (B) OECD Test No. 306.

26 (C) OECD Test No. 310.

27 (D) ASTM D5862-2006 standard test method.

28 (E) ASTM D7373-2007 standard test method.

29 (e) “Biosynthetic lubricant” means a lubricating oil that contains  
30 a biobased product.

31 (f) “Lubricating oil” means oil intended for use in an internal  
32 combustion gasoline or diesel engine used in passenger cars,  
33 light-duty trucks, or vans.

34 (g) “Minimal standards for biodegradability” means that the  
35 amount of biobased content within the lubricating oil is not less  
36 than 25 percent and that the biobased content is biodegradable.

37 (h) “OECD” means the Organisation for Economic Co-operation  
38 and Development.

39 42359.1. Notwithstanding Article 7 (commencing with Section  
40 13460) of Chapter 14 of Division 5 of the Business and Professions

1 Code, on and after January 1, 2017, a person shall not sell  
2 lubricating oil in the state unless the lubricating oil does both of  
3 the following:

4 (a) Meets or exceeds minimal standards for biodegradability,  
5 as defined in Section 42359.

6 (b) Is at the time of the sale certified for use by the American  
7 Petroleum Institute’s Engine Oil Licensing Certification System.

8 42359.2. On and after January 1, 2016, the director, in  
9 consultation with the advisory committee established pursuant to  
10 Section 42359.3, may grant a one-year delay of the requirements  
11 imposed pursuant to Section 42359.1 if the director finds that the  
12 lubricating oil is not commercially available in the state. In  
13 deciding whether to grant or deny an extension, the director shall  
14 consider, but shall not be bound by, the recommendation of the  
15 advisory committee.

16 42359.3. The director shall establish an advisory committee  
17 of nine members appointed by the director. The advisory  
18 committee, based upon information submitted to the committee  
19 by lubricating oil manufacturers, wholesalers, and retailers, shall  
20 consider and recommend approval or denial of a delay pursuant  
21 to Section 42359.2. The advisory committee shall include  
22 representation from the petroleum industry, biosynthetic fuel and  
23 oil industry, automobile manufacturers and servicing industry,  
24 local government storm water management agencies, and public  
25 interest groups.

26 42359.4. The department, through the use of social media, shall  
27 inform local agencies and individuals of the benefits of biosynthetic  
28 lubricating oils and encourage the use of biosynthetic lubricants  
29 for their fleets or vehicles.

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