Oil and solvent-soaked rags must be stored and disposed of properly to prevent combustion fires. It is important to maintain proper fire extinguishing equipment and smoke detectors in all areas where flammable and combustible materials are being used and stored.

Oil-soaked rags are a spontaneous combustion hazard because as the oil oxidizes, heat is released. If the heat is not dissipated, it can build up and ignite the rags. Special oily-waste cans should be used to store oil-soaked rags. These containers allow air to flow around the rags, thus dissipating the heat. The waste cans should not have plastic liners and they should be emptied daily.

Solvent-soaked rags are not a spontaneous combustion hazard but may be a fire hazard, since many solvents are flammable. In addition, the solvents can evaporate creating a health hazard. Solvent-soaked rags should be placed in closed containers to reduce evaporation and minimize the chance of someone tossing a lit cigarette onto the rags and causing a fire. The container should be emptied daily and the solvent should be allowed to evaporate outside.

The Department of Health Services’ Toxics Control Program recommends for rags:

- Have an industrial laundry facility clean the rags.
- Establish a company policy which instructs the users of rags as to when, where and how the rags should be used, stored, transported, and laundered.
- Do not use rags for spill clean-up because they may not be compatible with solvents already in the rags and they then must be disposed of as hazardous waste.
- Use proper oily-waste containers while accumulating rags for laundering (these are metal receptacles with lids and ventilated bottoms).
- Notify the laundry facility of what oils or solvents the rags contain.