# Washington State House of Representatives Office of Program Research

BILL ANALYSIS

## **Select Committee on Environmental Health**

### **HB 1761**

**Brief Description:** Accelerating the cleanup of Puget Sound and hazardous waste and waste sites in the state.

**Sponsors:** Representatives Linville, Hunter, Priest, Hunt, B. Sullivan, Upthegrove, Kessler, Sump, Hankins, Jarrett, Fromhold, Appleton, Rolfes, Darneille, Campbell, Conway, Green, O'Brien, Schual-Berke, Simpson, Ormsby and Chase.

#### **Brief Summary of Bill**

- Transfers the amount of tax receipts that are deposited into the State Toxics Control Account exceeding thirty million dollars after each fiscal year to the newly created Strategic Partnership Cleanup Account with certain limitations on expenditures.
- Transfers the amount of tax receipts that are deposited into the Local Toxics Control Account exceeding thirty million dollars after each fiscal year to the newly created Community Cleanup Assistance Account with certain limitations on expenditures.

**Hearing Date:** 2/8/07

**Staff:** Brad Avy (786-7289).

#### **Background:**

In 1988, the citizens of the state of Washington created by initiative the Model Toxics Control Act (MTCA). The primary purpose of the MTCA is to raise sufficient funds to clean up all hazardous waste sites and to prevent the creation of future hazards due to improper disposal of toxic wastes into the state's land and waters.

The MCTA includes a tax on the wholesale value of hazardous substances, which includes a list of over 8,000 different substances, such as petroleum products, pesticides and certain chemicals. Of the total receipts, 47.1 percent is allocated to the State Toxics Control Account (STCA) for cleanup of hazardous waste sites and related planning and regulation activities.

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This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The remaining 52.9 percent of the revenues go to the Local Toxics Control Account (LTCA) for use as grants or loans to local governments for hazardous and solid waste programs and for cleanup of hazardous waste sites.

#### **Summary of Bill:**

#### **State Toxics Control Account**

The bill transfers the amount of tax receipts that are deposited into the State Toxics Control Account exceeding thirty million dollars after each fiscal year to the newly created Strategic Partnership Cleanup Account.

The thirty million dollar threshold must be adjusted each year by the percentage change in the implicit price deflator for personal expenditures for the United States as published by the Bureau of Economic Analysis of the federal Department of Commerce.

#### **Strategic Partnership Cleanup Account**

Revenues from the transfer of excess funds from the State Toxics Control Account must be deposited into the Strategic Partnership Cleanup Account as well as any other money appropriated or transferred to the account by the legislature.

Moneys in the Strategic Partnership Cleanup Account may be spent only after appropriation. Expenditures from the account may be used only for:

- remedial action efforts that constitute a priority of the state;
- area-wide clean-up efforts where a state investment is necessary to protect human health and the environment; and
- efforts to control new sources of contamination, where the efforts are necessary to protect the health of an existing clean-up site.

The Department of Ecology (DOE) may use the Strategic Partnership Cleanup Account to accelerate cleanups that benefit the sediments and shorelines of Puget Sound.

#### **Local Toxics Account**

The bill transfers the amount of tax receipts that are deposited into the Local Toxics Control Account exceeding thirty million dollars after each fiscal year to the newly created Community Cleanup Assistance Account.

The thirty million dollar threshold must be adjusted each year by the percentage change in the implicit price deflator for personal expenditures for the United States as published by the Bureau of Economic Analysis of the federal Department of Commerce.

#### **Community Cleanup Assistance Account**

Revenues from the transfer of excess funds from the Local Toxics Control Account must be deposited into the Community Cleanup Assistance Account as well as any other money appropriated or transferred to the account by the legislature.

Moneys in the Community Cleanup Assistance Account may be spent only after appropriation. Expenditures from the account may be used only for grants or local governments for the cleanup of hazardous waste sites.

The intent of the Community Cleanup Assistance Account is to enable the DOE to create longerterm hazardous waste cleanup partnerships with communities and liable parties. Grants from this account are limited to cleanup sites that:

- require a multi-year effort, beyond the state's traditional biennial budget planning timeline;
- consist of large-scale hazardous substance releases that impact the state's land and waters in a significant manner; and
- have a demonstrated high-level ecological and community cleanup benefit.

The DOE may use the Community Cleanup Assistance Account to accelerate cleanups that benefit the sediments and shorelines of Puget Sound.

In partnering with local communities and liable parties for cleanups funded by the Community Cleanup Assistance Account, the DOE may use the following additional strategies in order to ensure a healthful environment for future generations:

- grant matching requirements that create incentives for local governments to expedite cleanups;
- the use of outside contracted staff in order to review cleanup documentation and conduct necessary studies;
- the commitment of funds, subject to availability, for terms of up to ten years;
- the purchase of remedial action cost-cap insurance, when necessary to expedite multi-party cleanup efforts; and
- the commitment of funds for operation and maintenance of long-term remedial action obligations, such as the maintenance of treatment or containment systems and required monitoring.

**Appropriation:** None.

**Fiscal Note:** Requested on January 30, 2007.

**Effective Date:** The bill takes effect 90 days after adjournment of session in which bill is passed.