<u>2SHB 3181</u> - H AMD TO H AMD (H-5640.1/10) **1601** By Representatives Dunshee, Kessler

NOT CONSIDERED 03/11/2010

On page 5, after line 30 of the amendment, insert the following:

- "Sec. 7. RCW 39.34.030 and 2009 c 202 s 6 are each amended to read as follows:
 - (1) Any power or powers, privileges or authority exercised or capable of exercise by a public agency of this state may be exercised and enjoyed jointly with any other public agency of this state having the power or powers, privilege or authority, and jointly with any public agency of any other state or of the United States to the extent that laws of such other state or of the United States permit such joint exercise or enjoyment. Any agency of the state government when acting jointly with any public agency may exercise and enjoy all of the powers, privileges and authority conferred by this chapter upon a public agency.
 - (2) Any two or more public agencies may enter into agreements with one another for joint or cooperative action pursuant to the provisions of this chapter, except that any such joint or cooperative action by public agencies which are educational service districts and/or school districts ((shall)) must comply with the provisions of RCW 28A.320.080. Appropriate action by ordinance, resolution or otherwise pursuant to law of the governing bodies of the participating public agencies ((shall be)) is necessary before any such agreement may enter into force.
 - (3) Any such agreement ((shall)) must specify the following:
- (a) Its duration;
- 25 (b) The precise organization, composition and nature of any separate legal or administrative entity created thereby together with the powers delegated thereto, provided such entity may be legally created. Such entity may include a nonprofit corporation organized pursuant to chapter 24.03 or 24.06 RCW whose membership is limited solely to the participating public agencies or a partnership organized

- pursuant to chapter 25.04 or 25.05 RCW whose partners are limited solely to participating public agencies, or a limited liability company organized under chapter 25.15 RCW whose membership is limited solely to participating public agencies, or a trust entity established for the purpose of funding remedial action under chapter 70.105D RCW and whose beneficiaries are limited solely to the participating public agencies, and the funds of any such corporation, partnership, $((\Theta r))$ limited liability company ((shall be)), or trust is subject to audit in the manner provided by law for the auditing of public funds;
 - (c) Its purpose or purposes;

- (d) The manner of financing the joint or cooperative undertaking and of establishing and maintaining a budget therefor;
- (e) The permissible method or methods to be employed in accomplishing the partial or complete termination of the agreement and for disposing of property upon such partial or complete termination; and
 - (f) Any other necessary and proper matters.
- (4) In the event that the agreement does not establish a separate legal entity to conduct the joint or cooperative undertaking, the agreement shall contain, in addition to provisions specified in subsection (3)(a), (c), (d), (e), and (f) of this section, the following:
- (a) Provision for an administrator or a joint board responsible for administering the joint or cooperative undertaking. In the case of a joint board, public agencies that are party to the agreement ((shall)) must be represented; and
- (b) The manner of acquiring, holding and disposing of real and personal property used in the joint or cooperative undertaking. Any joint board is authorized to establish a special fund with a state, county, city, or district treasurer servicing an involved public agency designated "Operating fund of joint board".
- (5) No agreement made pursuant to this chapter relieves any public agency of any obligation or responsibility imposed upon it by law except that:
- (a) To the extent of actual and timely performance thereof by a joint board or other legal or administrative entity created by an agreement made pursuant to this chapter, the performance may be offered in satisfaction of the obligation or responsibility; and

(b) With respect to one or more public agencies purchasing or otherwise contracting through a bid, proposal, or contract awarded by another public agency or by a group of public agencies, any statutory obligation to provide notice for bids or proposals that applies to the public agencies involved is satisfied if the public agency or group of public agencies that awarded the bid, proposal, or contract complied with its own statutory requirements and either (i) posted the bid or solicitation notice on a web site established and maintained by a public agency, purchasing cooperative, or similar service provider, for purposes of posting public notice of bid or proposal solicitations, or (ii) provided an access link on the state's web portal to the notice.

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- 12 (6) Financing of joint projects by agreement ((shall)) <u>must</u> be as provided by law.
- 14 **Sec. 8.** RCW 43.88.195 and 1996 c 186 s 509 are each amended to read as follows:

((After August 11, 1969)) Except for trusts established under RCW 70.105D.070 for the purpose of dispersing funds for remedial action, no state agency, state institution, state institution of higher education, which ((shall)) includes all state universities, regional universities, The Evergreen State College, and community colleges, ((shall)) may establish any new accounts or funds which are to be located outside of the state treasury((: PROVIDED, That)). However, the office of financial management ((shall be)) is authorized to grant permission for the establishment of such an account or fund outside of the state treasury only when the requesting agency presents compelling reasons of economy and efficiency which could not be achieved by placing such funds in the state treasury. When the director of financial management authorizes the creation of such fund or account, the director ((shall forthwith)) must give written notice of the fact to the standing committees on ways and means of the house and senate((: PROVIDED FURTHER, That)). Agencies authorized to create local accounts ((will)) must utilize the services of the state treasurer's office to ensure that new or ongoing relationships with financial institutions are in concert with statewide policies and procedures pursuant to RCW 43.88.160(1).

1 Sec. 9. RCW 70.105D.070 and 2009 c 564 s 951 and 2009 c 187 s 5
2 are each amended to read as follows:

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- (1) The state toxics control account and the local toxics control account are hereby created in the state treasury.
- (2) The following moneys ((shall)) must be deposited into the state toxics control account: (a) Those revenues which are raised by the tax imposed under RCW 82.21.030 and which are attributable to that portion of the rate equal to thirty-three one-hundredths of one percent; (b) the costs of remedial actions recovered under this chapter or chapter 70.105A RCW; (c) penalties collected or recovered under this chapter; and (d) any other money appropriated or transferred to the account by the legislature. Moneys in the account may be used only to carry out the purposes of this chapter, including but not limited to the following activities:
- (i) The state's responsibility for hazardous waste planning, management, regulation, enforcement, technical assistance, and public education required under chapter 70.105 RCW;
- (ii) The state's responsibility for solid waste planning, management, regulation, enforcement, technical assistance, and public education required under chapter 70.95 RCW;
- 21 (iii) The hazardous waste cleanup program required under this 22 chapter;
 - (iv) State matching funds required under the federal cleanup law;
 - (v) Financial assistance for local programs in accordance with chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;
 - (vi) State government programs for the safe reduction, recycling, or disposal of hazardous wastes from households, small businesses, and agriculture;
 - (vii) Hazardous materials emergency response training;
- (viii) Water and environmental health protection and monitoring programs;
 - (ix) Programs authorized under chapter 70.146 RCW;
- 33 (x) A public participation program, including regional citizen 34 advisory committees;
- (xi) Public funding to assist potentially liable persons to pay for the costs of remedial action in compliance with cleanup standards under RCW 70.105D.030(2)(e) but only when the amount and terms of such funding are established under a settlement agreement under RCW

- 70.105D.040(4) and when the director has found that the funding will achieve both (A) a substantially more expeditious or enhanced cleanup than would otherwise occur, and (B) the prevention or mitigation of unfair economic hardship;
 - (xii) Development and demonstration of alternative management technologies designed to carry out the hazardous waste management priorities of RCW 70.105.150; and
- 8 (xiii) During the 2009-2011 fiscal biennium, shoreline update 9 technical assistance.
 - (3) The following moneys ((shall)) <u>must</u> be deposited into the local toxics control account: Those revenues which are raised by the tax imposed under RCW 82.21.030 and which are attributable to that portion of the rate equal to thirty-seven one-hundredths of one percent.
 - (a) Moneys deposited in the local toxics control account ((shall)) must be used by the department for grants or loans to local governments for the following purposes in descending order of priority:
 - (i) Remedial actions;

- (ii) Hazardous waste plans and programs under chapter 70.105 RCW;
- 19 (iii) Solid waste plans and programs under chapters 70.95, 70.95C, 20 70.95I, and 70.105 RCW;
 - (iv) Funds for a program to assist in the assessment and cleanup of sites of methamphetamine production, but not to be used for the initial containment of such sites, consistent with the responsibilities and intent of RCW 69.50.511; and
 - (v) Cleanup and disposal of hazardous substances from abandoned or derelict vessels, defined for the purposes of this section as vessels that have little or no value and either have no identified owner or have an identified owner lacking financial resources to clean up and dispose of the vessel, that pose a threat to human health or the environment.
 - (b) Funds for plans and programs ((shall)) must be allocated consistent with the priorities and matching requirements established in chapters 70.105, 70.95C, 70.95I, and 70.95 RCW, except that any applicant that is a Puget Sound partner, as defined in RCW 90.71.010, along with any project that is referenced in the action agenda developed by the Puget Sound partnership under RCW 90.71.310, ((shall)) must, except as conditioned by RCW 70.105D.120, receive priority for any available funding for any grant or funding programs or sources that

use a competitive bidding process. During the 2007-2009 fiscal biennium, moneys in the account may also be used for grants to local governments to retrofit public sector diesel equipment and for storm water planning and implementation activities.

- (c) To expedite cleanups throughout the state, the department ((shall)) must partner with local communities and liable parties for cleanups. The department is authorized to use the following additional strategies in order to ensure a healthful environment for future generations:
- (i) The director may alter grant-matching requirements to create incentives for local governments to expedite cleanups when one of the following conditions exists:
- (A) Funding would prevent or mitigate unfair economic hardship imposed by the clean-up liability;
- (B) Funding would create new substantial economic development, public recreational, or habitat restoration opportunities that would not otherwise occur; or
- (C) Funding would create an opportunity for acquisition and redevelopment of vacant, orphaned, or abandoned property under RCW 70.105D.040(5) that would not otherwise occur;
 - (ii) The use of outside contracts to conduct necessary studies;
- (iii) The purchase of remedial action ((cost-cap)) environmental insurance, when necessary to expedite multiparty clean-up efforts.
 - (d) To facilitate and expedite cleanups using funds from the local toxics control account, the director may establish grant-funded trusts to hold and disperse local toxics control account funds and funds from local governments to be used for remedial actions.
 - (4) Except for unanticipated receipts under RCW 43.79.260 through 43.79.282, moneys in the state and local toxics control accounts may be spent only after appropriation by statute.
 - (5) Except during the 2009-2011 fiscal biennium, one percent of the moneys deposited into the state and local toxics control accounts ((shall)) must be allocated only for public participation grants to persons who may be adversely affected by a release or threatened release of a hazardous substance and to not-for-profit public interest organizations. The primary purpose of these grants is to facilitate the participation by persons and organizations in the investigation and remedying of releases or threatened releases of hazardous substances

and to implement the state's solid and hazardous waste management priorities. No grant may exceed sixty thousand dollars. Grants may be renewed annually. Moneys appropriated for public participation from either account which are not expended at the close of any biennium shall revert to the state toxics control account.

- (6) No moneys deposited into either the state or local toxics control account may be used for solid waste incinerator feasibility studies, construction, maintenance, or operation, or, after January 1, 2010, for projects designed to address the restoration of Puget Sound, funded in a competitive grant process, that are in conflict with the action agenda developed by the Puget Sound partnership under RCW 90.71.310.
- 13 (7) The department ((shall)) <u>must</u> adopt rules for grant or loan issuance and performance.
 - (8) During the 2007-2009 and 2009-2011 fiscal biennia, the legislature may transfer from the local toxics control account to either the state general fund or the oil spill prevention account, or both such amounts as reflect excess fund balance in the account.
 - (9) During the 2009-2011 fiscal biennium, the local toxics control account may also be used for a standby rescue tug at Neah Bay, local government shoreline update grants, private and public sector diesel equipment retrofit, and oil spill prevention, preparedness, and response activities.
 - (10) During the 2009-2011 fiscal biennium, the legislature may transfer from the state toxics control account to the state general fund such amounts as reflect the excess fund balance in the account."
- 27 Renumber the remaining sections consecutively, correct any internal 28 references accordingly, and correct the title.

EFFECT: Authorizes the Department of Ecology to purchase environmental insurance to expedite multiparty clean-up efforts. Authorizes, through the Interlocal Cooperation Act, a trust entity to disperse funds associated with remedial action programs. Allows the Director of the Department of Ecology to establish grant-funded trusts to hold and disperse LTCA funds and funds from local governments to be used for remedial actions.

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