

# HOUSE BILL REPORT

## E2SHB 2539

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### As Passed Legislature

**Title:** An act relating to optimizing the collection of source separated materials within the current regulatory structure.

**Brief Description:** Optimizing the collection of source separated materials.

**Sponsors:** House Committee on Ways & Means (originally sponsored by Representative Upthegrove).

#### **Brief History:**

##### **Committee Activity:**

Ecology & Parks: 1/15/10, 1/29/10 [DPS];

Ways & Means: 2/6/10, 2/8/10 [DP2S(w/o sub EPAR)].

##### **Floor Activity:**

Passed House: 2/15/10, 96-1.

Passed Senate: 3/5/10, 48-0.

Passed Legislature.

#### **Brief Summary of Engrossed Second Substitute Bill**

- Requires each solid waste management plan to consider and plan for solid waste reduction, collection, handling, and management services.
- Allows solid waste collection companies collecting recyclable materials to retain up to 50 percent of the revenue paid to the companies for the recyclable material.

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### HOUSE COMMITTEE ON ECOLOGY & PARKS

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives Upthegrove, Chair; Rolfes, Vice Chair; Short, Ranking Minority Member; Chase, Dickerson, Dunshee, Eddy, Finn and Hudgins.

**Minority Report:** Do not pass. Signed by 3 members: Representatives Orcutt, Shea and Taylor.

**Staff:** Jaclyn Ford (786-7339).

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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.*

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## HOUSE COMMITTEE ON WAYS & MEANS

**Majority Report:** The second substitute bill be substituted therefor and the second substitute bill do pass and do not pass the substitute bill by Committee on Ecology & Parks. Signed by 18 members: Representatives Linville, Chair; Ericks, Vice Chair; Sullivan, Vice Chair; Alexander, Ranking Minority Member; Bailey, Assistant Ranking Minority Member; Dammeier, Assistant Ranking Minority Member; Cody, Conway, Darneille, Haigh, Hunt, Hunter, Kagi, Kenney, Kessler, Pettigrew, Priest and Seaquist.

**Minority Report:** Do not pass. Signed by 4 members: Representatives Chandler, Hinkle, Ross and Schmick.

**Staff:** Sara del Moral (786-7118).

### **Background:**

Local governments are required to prepare a coordinated, comprehensive solid waste management plan that can be integrated into the comprehensive county plan. Each solid waste plan must include a waste reduction and recycling element. The waste reduction and recycling element of each local comprehensive solid waste management plan includes the levels of service for both urban and rural areas; the counties and cities determine which areas should be designated as urban or rural.

Each solid waste management plan is submitted to the Department of Ecology (DOE) for approval. The DOE then provides the Utilities and Transportation Commission (UTC) with a copy of the plan. The UTC reviews the plan's assessment of the cost of solid waste collection and its impacts on rates charged by regulated solid waste collection companies, and provides advice on the probable effects of the plan's recommendations. Both the DOE and the UTC must provide technical assistance when necessary.

Once approved, each solid waste management plan must be maintained in a current condition and reviewed and revised periodically.

### **Summary of Engrossed Second Substitute Bill:**

In the comprehensive solid waste management plan, each county within the state must plan for solid waste and materials reduction, collection, and handling and management services and programs throughout the state, as designed to meet the unique needs of each county and city. When updating a solid waste management plan, local comprehensive plans must consider and plan for the following handling methods or services:

- source separation of recyclable materials and products, organic materials, and wastes by generators;
- collection of source separated materials;
- handling and proper preparation of materials for reuse or recycling;
- handling and proper preparation of organic materials for composting or anaerobic digestion; and
- handling and proper disposal of nonrecyclable wastes.

In addition, when updating a solid waste management plan, each plan must consider methods that will be used to address the following:

- construction and demolition waste for recycling or reuse;
- organic material including yard debris, food waste, and food contaminated paper products for composting or anaerobic digestion;
- recoverable paper products for recycling;
- metals, glass, and plastics for recycling; and
- waste reduction strategies.

Upon request of a county, the UTC may approve rates, charges, or services at a discount for low-income senior customers and low-income customers, as adopted by the county in its comprehensive solid waste management plan. Expenses and lost revenues as a result of these discounts must be included in the company's cost of service and recovered in rates to other customers.

The UTC must allow solid waste collection companies collecting recyclable materials to retain up to 50 percent of the revenue paid to the companies for the recyclable material if the companies submit a plan to the UTC that is certified by the appropriate local government authority as being consistent with the local government solid waste plan and that plan demonstrates how those revenues will be used to increase recycling.

**Appropriation:** None.

**Fiscal Note:** Available.

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

**Staff Summary of Public Testimony (Ecology & Parks):**

(In support) The goal of the bill is to increase recycling. This bill will have positive benefits on recycling. Some of the ideas found in this bill came out of the Governor's Climate Action Team recommendations. This bill would promote better efficiency in collection and increase recycling in the state. Revenue sharing is a voluntary tool that can be used by local government to increase recycling. Increases to the amount collected by haulers would be an effective tool for increasing recycling in the state. Increasing the revenue sharing also will allow additional infrastructure and services.

(With concerns) The rate impacts that would occur from the revenue sharing on consumers is about 45 cents per month. The opt-outs should be done at the county level. The financial assistance program needs some technical amendments. Calculating an increase in residential recycling would be difficult to ascertain since those numbers are not calculated just for residential recycling. Commercial recycling should also be incentivized. Some counties have just gone through their comprehensive plans, so the bill should be tied to the five-year updates instead of a set date. Curbside programs are effective for increasing recycling. Local jurisdictions should be able to choose which materials should be collected curbside. Some materials may not be suitable for curbside collection, such as bulky items or hazardous materials. Decision making should be local and not centralized. The organics piece in the

bill should be more flexible. The low-income assistance program should have a different definition.

(Opposed) None.

**Staff Summary of Public Testimony (Ways & Means):**

(In support) This bill is a result of the 2008 Climate Action Team recommendations for reducing greenhouse gas emissions from solid waste. Increasing recycling rates is a low-hanging fruit for reducing emissions. This bill helps optimize the current solid waste system. This bill offers flexibility to local governments, who can decide how to implement updated solid waste plans. It will increase recycling rates.

(Opposed) None.

**Persons Testifying (Ecology & Parks):** (In support) Representative Upthegrove, prime sponsor; Vicki Christophersen, Washington Refuse and Recycling Association; and David Michener, Waste Management.

(With concerns) Dave Danner, Utilities and Transportation Commission; Laurie Davies, Department of Ecology; Suellen Mele, Washington Citizens for Resource Conservation; Steve McGonigal, Washington State Recycling Association; and Ashley Probart, Association of Washington Cities.

**Persons Testifying (Ways & Means):** Vicki Christopherson, Washington Refuse and Recycling Association.

**Persons Signed In To Testify But Not Testifying (Ecology & Parks):** None.

**Persons Signed In To Testify But Not Testifying (Ways & Means):** None.