

CERTIFICATION OF ENROLLMENT
ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1543

66th Legislature
2019 Regular Session

Passed by the House April 18, 2019
Yeas 61 Nays 33

Speaker of the House of Representatives

Passed by the Senate April 15, 2019
Yeas 34 Nays 14

President of the Senate

Approved

Governor of the State of Washington

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1543** as passed by the House of Representatives and the Senate on the dates hereon set forth.

Chief Clerk

FILED

**Secretary of State
State of Washington**

ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1543

AS AMENDED BY THE SENATE

Passed Legislature - 2019 Regular Session

State of Washington

66th Legislature

2019 Regular Session

By House Appropriations (originally sponsored by Representatives Mead, Doglio, Lekanoff, Peterson, Fey, Appleton, Shewmake, Stanford, Tharinger, Jinkins, Pollet, Slatter, Frame, and Davis; by request of Department of Ecology)

READ FIRST TIME 03/01/19.

1 AN ACT Relating to sustainable recycling; amending RCW 70.93.180,
2 70.95.090, 70.95.100, and 70.95.130; adding a new chapter to Title 70
3 RCW; creating a new section; providing an effective date; and
4 declaring an emergency.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** (1) The legislature finds that:

7 (a) Recycling reduces greenhouse gas emissions, conserves energy
8 and landfill space, provides jobs and valuable feedstock materials to
9 industry, promotes health, and protects the environment;

10 (b) Washington has long been a leader in sound management of
11 recyclable materials and solid waste;

12 (c) Waste import restrictions worldwide are having huge
13 implications for state and local recycling programs and operations in
14 Washington state, requiring immediate action by the legislature;

15 (d) In order to maintain our leadership in recycling and create
16 regional domestic markets, Washington must be innovative and
17 implement best practices for recycling and waste reduction;

18 (e) Washington's environment and economy will benefit from
19 expanding the number of industries that process recycled materials
20 and use recycled feedstocks in their manufacturing;

1 (f) Washington recognizes the value of manufacturing incentives
2 to encourage recycling industries to locate and operate in Washington
3 and provide manufacturer incentives to improve the recyclability of
4 their products;

5 (g) Many local governments and private entities cumulatively
6 affect, and are affected by, the market for recycled commodities but
7 have limited jurisdiction and cannot adequately address the problems
8 of market development that are complex, wide-ranging, and regional in
9 nature;

10 (h) A sustainable recycling system is one that is economically
11 sustainable, in addition to environmentally sustainable;

12 (i) The private sector has the greatest capacity for creating and
13 expanding markets for recycled commodities and the development of
14 private markets for recycled commodities is in the public interest;
15 and

16 (j) Washington must create a center to facilitate business
17 assistance, provide basic and applied research and development, as
18 well as policy analysis, to further the development of domestic
19 processing and markets for recycled commodities.

20 (2) Therefore, it is the policy of the state to create the
21 recycling development center to research, incentivize, and develop
22 new markets and expand existing markets for recycled commodities and
23 recycling facilities.

24 NEW SECTION. **Sec. 2.** The definitions in this section apply
25 throughout this chapter unless the context clearly requires
26 otherwise.

27 (1) "Center" means recycling development center.

28 (2) "Department" means the department of ecology.

29 (3) "Director" means the director of the department of ecology.

30 (4) "Local government" means a city, town, or county.

31 (5) "Recyclable materials" means those solid wastes that are
32 separated for recycling or reuse, such as papers, metals, and glass,
33 that are identified as recyclable material pursuant to a local
34 comprehensive solid waste plan.

35 (6) "Recycling" means transforming or remanufacturing waste
36 materials into usable or marketable materials for use other than
37 landfill disposal or incineration.

38 (7) "Secondary materials" means any materials that are not the
39 primary products from manufacturing and other industrial sectors.

1 These materials may include scrap and residuals from production
2 processes and products that have been recovered at the end of their
3 useful life.

4 (8) "Solid waste" or "wastes" means all putrescible and
5 nonputrescible solid and semisolid wastes including, but not limited
6 to, garbage, rubbish, ashes, industrial wastes, swill, sewage sludge,
7 demolition and construction wastes, abandoned vehicles or parts
8 thereof, and recyclable materials.

9 NEW SECTION. **Sec. 3.** (1) The recycling development center is
10 created within the department of ecology.

11 (2) The purpose of the center is to provide or facilitate basic
12 and applied research and development, marketing, and policy analysis
13 in furthering the development of markets and processing for recycled
14 commodities and products. As used in this chapter, market development
15 consists of public and private activities that are used to overcome
16 impediments preventing full and productive use of secondary materials
17 diverted from the waste stream, and that encourage and expand use of
18 those materials and subsequent products. In fulfilling this mission,
19 the center must initially direct its services to businesses that
20 transform or remanufacture waste materials into usable or marketable
21 materials or products for use rather than disposal.

22 (3) The center must perform the following activities:

23 (a) Develop an annual work plan. The work plan must describe
24 actions and recommendations for developing markets for commodities
25 comprising a significant percentage of the waste stream and having
26 potential for use as an industrial or commercial feedstock, with
27 initial focus on mixed waste paper and plastics;

28 (b) Evaluate, analyze, and make recommendations on state policies
29 that may affect markets for recyclable materials. Such
30 recommendations must include explicit consideration of the costs and
31 benefits of the market-effecting policies, including estimates of the
32 anticipated: Rate impacts on solid waste utility ratepayers; impacts
33 on the prices of consumer goods affected by the recommended policies;
34 and impacts on rates of recycling or utilization of postconsumer
35 materials;

36 (c) Work with manufacturers and producers of packaging and other
37 potentially recyclable materials on their work to increase the
38 ability of their products to be recycled or reduced in Washington;

1 (d) Initiate, conduct, or contract for studies relating to market
2 development for recyclable materials, including but not limited to
3 applied research, technology transfer, life-cycle analysis, and pilot
4 demonstration projects;

5 (e) Obtain and disseminate information relating to market
6 development for recyclable materials from other state and local
7 agencies and other sources;

8 (f) Contract with individuals, corporations, trade associations,
9 and research institutions for the purposes of this chapter;

10 (g) Provide grants or contracts to local governments, state
11 agencies, or other public institutions to further the development or
12 revitalization of recycling markets in accordance with applicable
13 rules and regulations;

14 (h) Provide business and marketing assistance to public and
15 private sector entities within the state;

16 (i) Represent the state in regional and national market
17 development issues and work to create a regional recycling
18 development council that will work across either state or provincial
19 borders, or both;

20 (j) Wherever necessary, the center must work with: Material
21 recovery facility operators; public and private sector recycling and
22 solid waste industries; packaging manufacturers and retailers; local
23 governments; environmental organizations; interested colleges and
24 universities; and state agencies, including the department of
25 commerce and the utilities and transportation commission; and

26 (k) Report to the legislature and the governor each even-numbered
27 year on the progress of achieving the center's purpose and performing
28 the center's activities, including any effects on state recycling
29 rates or rates of utilization of postconsumer materials in
30 manufactured products that can reasonably be attributed, at least in
31 part, to the activities of the center.

32 (4) In order to carry out its responsibilities under this
33 chapter, the department must enter into an interagency agreement with
34 the department of commerce to perform or contract for the following
35 activities:

36 (a) Provide targeted business assistance to recycling businesses,
37 including:

38 (i) Development of business plans;

39 (ii) Market research and planning information;

40 (iii) Referral and information on market conditions; and

- 1 (iv) Information on new technology and product development;
- 2 (b) Conduct outreach to negotiate voluntary agreements with
3 manufacturers to increase the use of recycled materials in products
4 and product development;
- 5 (c) Support, promote, and identify research and development to
6 stimulate new technologies and products using recycled materials;
- 7 (d) Actively promote manufacturing with recycled commodities, as
8 well as purchasing of recycled products by state agencies consistent
9 with and in addition to the requirements of chapter 43.19A RCW and
10 RCW 39.26.255, local governments, and the private sector;
- 11 (e) Undertake studies on the unmet capital and other needs of
12 reprocessing and manufacturing firms using recycled materials, such
13 as financing and incentive programs; and
- 14 (f) Conduct research to understand the waste stream supply chain
15 and incentive strategies for retention, expansion, and attraction of
16 innovative recycling technology businesses.
- 17 (5) The department may adopt any rules necessary to implement and
18 enforce this chapter including, but not limited to, measures for the
19 center's performance.

20 NEW SECTION. **Sec. 4.** (1) The center's activities must be guided
21 by an advisory board.

22 (2) The duties of the advisory board are to:

23 (a) Provide advice and guidance on the annual work plan of the
24 center; and

25 (b) Evaluate, analyze, and make recommendations on state policies
26 that may affect markets for recyclable materials to the director and
27 the department of commerce.

28 (3) Except as otherwise provided, advisory board members must be
29 appointed by the director in consultation with the department of
30 commerce as follows:

31 (a) One member to represent cities;

32 (b) One member appointed by the Washington association of county
33 solid waste managers to represent counties east of the crest of the
34 Cascade mountains;

35 (c) One member appointed by the Washington association of county
36 solid waste managers to represent counties west of the crest of the
37 Cascade mountains;

38 (d) One member to represent public interest groups;

1 (e) Three members from universities or state and federal research
2 institutions;

3 (f) Up to seven private sector members to represent all aspects
4 of the recycling materials system, including but not limited to
5 manufacturing and packaging, solid waste management, and at least one
6 not-for-profit organization familiar with innovative recycling
7 solutions that are being used internationally in Scandinavia, China,
8 and other countries;

9 (g) The chair of the utilities and transportation commission or
10 the chair's designee as a nonvoting member; and

11 (h) Nonvoting, temporary appointments to the board may be made by
12 the chair of the advisory board where specific expertise is needed.

13 (4) The initial appointments of the seven private sector members
14 are as follows: Three members with three-year terms and four members
15 with two-year terms. Thereafter, members serve two-year renewable
16 terms.

17 (5) The advisory board must meet at least quarterly.

18 (6) The chair of the advisory board must be elected from among
19 the members by a simple majority vote.

20 (7) The advisory board may adopt bylaws and a charter for the
21 operation of its business for the purposes of this chapter.

22 (8) The department shall provide staff support to the advisory
23 board.

24 **Sec. 5.** RCW 70.93.180 and 2015 c 15 s 3 are each amended to read
25 as follows:

26 (1) There is hereby created an account within the state treasury
27 to be known as the waste reduction, recycling, and litter control
28 account. Moneys in the account may be spent only after appropriation.
29 Expenditures from the waste reduction, recycling, and litter control
30 account shall be used as follows:

31 (a) (~~Fifty~~) Forty percent to the department of ecology,
32 primarily for use by the departments of ecology, natural resources,
33 revenue, transportation, and corrections, and the parks and
34 recreation commission, for (~~use in~~) litter collection programs(~~(7~~
35 ~~to be distributed)~~) under RCW 70.93.220. The amount to the department
36 of ecology shall also be used for a central coordination function for
37 litter control efforts statewide; to support employment of youth in
38 litter cleanup as intended in RCW 70.93.020, and for litter pick up
39 using other authorized agencies; and for statewide public awareness

1 programs under RCW 70.93.200(7) (~~and to support employment of youth~~
2 ~~in litter cleanup as intended in RCW 70.93.020, and for litter pick~~
3 ~~up using other authorized agencies)). The amount to the department~~
4 shall also be used to defray the costs of administering the funding,
5 coordination, and oversight of local government programs for waste
6 reduction, litter control, recycling, and composting so that local
7 governments can apply one hundred percent of their funding to
8 achieving program goals. The amount to the department of revenue
9 shall be used to enforce compliance with the litter tax imposed in
10 chapter 82.19 RCW;

11 (b) (i) Twenty percent to the department for local government
12 funding programs for waste reduction, litter control, recycling
13 activities, and composting activities by cities and counties under
14 RCW 70.93.250, to be administered by the department of ecology; (ii)
15 any unspent funds under (b) (i) of this subsection may be used to
16 create and pay for a matching fund competitive grant program to be
17 used by local governments for the development and implementation of
18 contamination reduction and outreach plans for inclusion in
19 comprehensive solid waste management plans or by local governments
20 and nonprofit organizations for local or statewide education programs
21 designed to help the public with litter control, waste reduction,
22 recycling, and composting of primarily the products taxed under
23 chapter 82.19 RCW. Grants must adhere to the following requirements:
24 (A) No grant may exceed sixty thousand dollars; (B) grant recipients
25 shall match the grant funding allocated by the department by an
26 amount equal to twenty-five percent of eligible expenses. A local
27 government's share of these costs may be met by cash or contributed
28 services; (C) the obligation of the department to make grant payments
29 is contingent upon the availability of the amount of money
30 appropriated for this subsection (1)(b); and (D) grants are managed
31 under the guidelines for existing grant programs; and

32 (c) (~~Thirty~~) Forty percent to the department of ecology to: (i)
33 Implement activities under RCW 70.93.200 for waste reduction,
34 recycling, and composting efforts; (ii) provide technical assistance
35 to local governments (~~for~~) and commercial (~~business and~~
36 ~~residential~~) businesses to increase recycling markets and recycling
37 and composting programs primarily for the products taxed under
38 chapter 82.19 RCW designed to educate citizens about waste reduction,
39 litter control, and recyclable and compostable products and programs;
40 and (iii) increase access to waste reduction, composting, and

1 recycling programs, particularly for food packaging and plastic bags
2 and appropriate composting techniques.

3 (2) All taxes imposed in RCW 82.19.010 and fines and bail
4 forfeitures collected or received pursuant to this chapter shall be
5 deposited in the waste reduction, recycling, and litter control
6 account and used for the programs under subsection (1) of this
7 section.

8 (3) Not less than five percent and no more than ten percent of
9 the amount appropriated into the waste reduction, recycling, and
10 litter control account every biennium shall be reserved for capital
11 needs, including the purchase of vehicles for transporting crews and
12 for collecting litter and solid waste. Capital funds shall be
13 distributed among state agencies and local governments according to
14 the same criteria provided in RCW 70.93.220 for the remainder of the
15 funds, so that the most effective waste reduction, litter control,
16 recycling, and composting programs receive the most funding. The
17 intent of this subsection is to provide funds for the purchase of
18 equipment that will enable the department to account for the greatest
19 return on investment in terms of reaching a zero litter goal.

20 (4) Funds in the waste reduction, recycling, and litter control
21 account, collected under chapter 82.19 RCW, must be prioritized for
22 the products identified under RCW 82.19.020 solely for the purposes
23 of recycling, composting, and litter collection, reduction, and
24 control programs.

25 **Sec. 6.** RCW 70.95.090 and 1991 c 298 s 3 are each amended to
26 read as follows:

27 Each county and city comprehensive solid waste management plan
28 shall include the following:

29 (1) A detailed inventory and description of all existing solid
30 waste handling facilities including an inventory of any deficiencies
31 in meeting current solid waste handling needs.

32 (2) The estimated long-range needs for solid waste handling
33 facilities projected twenty years into the future.

34 (3) A program for the orderly development of solid waste handling
35 facilities in a manner consistent with the plans for the entire
36 county which shall:

37 (a) Meet the minimum functional standards for solid waste
38 handling adopted by the department and all laws and regulations

1 relating to air and water pollution, fire prevention, flood control,
2 and protection of public health;

3 (b) Take into account the comprehensive land use plan of each
4 jurisdiction;

5 (c) Contain a six year construction and capital acquisition
6 program for solid waste handling facilities; and

7 (d) Contain a plan for financing both capital costs and
8 operational expenditures of the proposed solid waste management
9 system.

10 (4) A program for surveillance and control.

11 (5) A current inventory and description of solid waste collection
12 needs and operations within each respective jurisdiction which shall
13 include:

14 (a) Any franchise for solid waste collection granted by the
15 utilities and transportation commission in the respective
16 jurisdictions including the name of the holder of the franchise and
17 the address of his or her place of business and the area covered by
18 the franchise;

19 (b) Any city solid waste operation within the county and the
20 boundaries of such operation;

21 (c) The population density of each area serviced by a city
22 operation or by a franchised operation within the respective
23 jurisdictions;

24 (d) The projected solid waste collection needs for the respective
25 jurisdictions for the next six years.

26 (6) A comprehensive waste reduction and recycling element that,
27 in accordance with the priorities established in RCW 70.95.010,
28 provides programs that (a) reduce the amount of waste generated, (b)
29 provide incentives and mechanisms for source separation, and (c)
30 establish recycling opportunities for the source separated waste.

31 (7) The waste reduction and recycling element shall include the
32 following:

33 (a) Waste reduction strategies;

34 (b) Source separation strategies, including:

35 (i) Programs for the collection of source separated materials
36 from residences in urban and rural areas. In urban areas, these
37 programs shall include collection of source separated recyclable
38 materials from single and multiple-family residences, unless the
39 department approves an alternative program, according to the criteria
40 in the planning guidelines. Such criteria shall include: Anticipated

1 recovery rates and levels of public participation, availability of
2 environmentally sound disposal capacity, access to markets for
3 recyclable materials, unreasonable cost impacts on the ratepayer over
4 the six-year planning period, utilization of environmentally sound
5 waste reduction and recycling technologies, and other factors as
6 appropriate. In rural areas, these programs shall include but not be
7 limited to drop-off boxes, buy-back centers, or a combination of
8 both, at each solid waste transfer, processing, or disposal site, or
9 at locations convenient to the residents of the county. The drop-off
10 boxes and buy-back centers may be owned or operated by public,
11 nonprofit, or private persons;

12 (ii) Programs to monitor the collection of source separated waste
13 at nonresidential sites where there is sufficient density to sustain
14 a program;

15 (iii) Programs to collect yard waste, if the county or city
16 submitting the plan finds that there are adequate markets or capacity
17 for composted yard waste within or near the service area to consume
18 the majority of the material collected; and

19 (iv) Programs to educate and promote the concepts of waste
20 reduction and recycling;

21 (c) Recycling strategies, including a description of markets for
22 recyclables, a review of waste generation trends, a description of
23 waste composition, a discussion and description of existing programs
24 and any additional programs needed to assist public and private
25 sector recycling, and an implementation schedule for the designation
26 of specific materials to be collected for recycling, and for the
27 provision of recycling collection services;

28 (d) Other information the county or city submitting the plan
29 determines is necessary.

30 (8) An assessment of the plan's impact on the costs of solid
31 waste collection. The assessment shall be prepared in conformance
32 with guidelines established by the utilities and transportation
33 commission. The commission shall cooperate with the Washington state
34 association of counties and the association of Washington cities in
35 establishing such guidelines.

36 (9) A review of potential areas that meet the criteria as
37 outlined in RCW 70.95.165.

38 (10) A contamination reduction and outreach plan. The
39 contamination reduction and outreach plan must address reducing
40 contamination in recycling. Except for counties with a population of

1 twenty-five thousand or fewer, by July 1, 2021, a contamination
2 reduction and outreach plan must be included in each solid waste
3 management plan by a plan amendment or included when revising or
4 updating a solid waste management plan developed under this chapter.
5 Jurisdictions may adopt the state's contamination reduction and
6 outreach plan as developed under RCW 70.95.100 in lieu of creating
7 their own plan. A recycling contamination reduction and outreach plan
8 must include the following:

9 (a) A list of actions for reducing contamination in recycling
10 programs for single-family and multiple-family residences, commercial
11 locations, and drop boxes depending on the jurisdictions system
12 components;

13 (b) A list of key contaminants identified by the jurisdiction or
14 identified by the department;

15 (c) A discussion of problem contaminants and the contaminants'
16 impact on the collection system;

17 (d) An analysis of the costs and other impacts associated with
18 contaminants to the recycling system; and

19 (e) An implementation schedule and details of how outreach is to
20 be conducted. Contamination reduction education methods may include
21 sharing community-wide messaging through newsletters, articles,
22 mailers, social media, web sites, or community events, informing
23 recycling drop box customers about contamination, and improving
24 signage.

25 **Sec. 7.** RCW 70.95.100 and 1989 c 431 s 6 are each amended to
26 read as follows:

27 (1) The department or the commission, as appropriate, shall
28 provide to counties and cities technical assistance including, but
29 not limited to, planning guidelines, in the preparation, review, and
30 revision of solid waste management plans required by this chapter.
31 Guidelines prepared under this section shall be consistent with the
32 provisions of this chapter. Guidelines for the preparation of the
33 waste reduction and recycling element of the comprehensive solid
34 waste management plan shall be completed by the department by March
35 15, 1990. These guidelines shall provide recommendations to local
36 government on materials to be considered for designation as
37 recyclable materials. The state solid waste management plan prepared
38 pursuant to RCW 70.95.260 shall be consistent with these guidelines.

1 (2) The department shall be responsible for development and
2 implementation of a comprehensive statewide public information
3 program designed to encourage waste reduction, source separation, and
4 recycling by the public. The department shall operate a toll free
5 hotline to provide the public information on waste reduction and
6 recycling.

7 (3) The department shall provide technical assistance to local
8 governments in the development and dissemination of informational
9 materials and related activities to assure recognition of unique
10 local waste reduction and recycling programs.

11 (4)(a) The department must create and implement a statewide
12 recycling contamination reduction and outreach plan based on best
13 management practices for recycling, developed with stakeholder input
14 by July 1, 2020. Jurisdictions may use the statewide plan in lieu of
15 developing their own plan.

16 (b) The department must provide technical assistance and create
17 guidance to help local jurisdictions determine the extent of
18 contamination in their regional recycling and to develop
19 contamination reduction and outreach plans. Contamination means any
20 material not included on the local jurisdiction's acceptance list.

21 (c) Contamination reduction education methods may include sharing
22 community-wide messaging through newsletters, articles, mailers,
23 social media, web sites, or community events, informing recycling
24 drop box customers about contamination, and improving signage.

25 (d) The department must cite the sources of information that it
26 relied upon, including any peer-reviewed science, in the development
27 of the best management practices for recycling under (a) of this
28 subsection and the guidance developed under (b) of this subsection.

29 (5) Local governments shall make all materials and information
30 developed with the assistance grants provided under RCW 70.95.130
31 available to the department for potential use in other areas of the
32 state.

33 **Sec. 8.** RCW 70.95.130 and 1969 ex.s. c 134 s 13 are each amended
34 to read as follows:

35 Any county may apply to the department on a form prescribed
36 thereby for financial aid for the preparation and implementation of
37 the comprehensive county plan for solid waste management required by
38 RCW 70.95.080, including contamination reduction and outreach plans.
39 Any city electing to prepare an independent city plan, a joint city

1 plan, or a joint county-city plan for solid waste management for
2 inclusion in the county comprehensive plan may apply for financial
3 aid for such purpose through the county. Every city application for
4 financial aid for planning shall be filed with the county auditor and
5 shall be included as a part of the county's application for financial
6 aid. Any city preparing an independent plan shall provide for
7 disposal sites wholly within its jurisdiction.

8 The department shall allocate to the counties and cities applying
9 for financial aid for planning and implementation, including
10 contamination reduction and outreach plan development and
11 implementation, such funds as may be available pursuant to
12 legislative appropriations or from any federal grants for such
13 purpose.

14 The department shall determine priorities and allocate available
15 funds among the counties and cities applying for aid according to
16 criteria established by regulations of the department considering
17 population, urban development, environmental effects of waste
18 disposal, existing waste handling practices, and the local
19 justification of their proposed expenditures.

20 NEW SECTION. **Sec. 9.** Sections 1 through 4 of this act
21 constitute a new chapter in Title 70 RCW.

22 NEW SECTION. **Sec. 10.** This act is necessary for the immediate
23 preservation of the public peace, health, or safety, or support of
24 the state government and its existing public institutions, and takes
25 effect July 1, 2019.

26 NEW SECTION. **Sec. 11.** If specific funding for the purposes of
27 this act, referencing this act by bill or chapter number, is not
28 provided by June 30, 2019, in the omnibus appropriations act, this
29 act is null and void.

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