

E2SHB 1543 - S COMM AMD
By Committee on Ways & Means

ADOPTED 04/15/2019

1 Strike everything after the enacting clause and insert the
2 following:

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

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

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

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

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

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

18 (f) Washington recognizes the value of manufacturing incentives
19 to encourage recycling industries to locate and operate in Washington
20 and provide manufacturer incentives to improve the recyclability of
21 their products;

22 (g) Many local governments and private entities cumulatively
23 affect, and are affected by, the market for recycled commodities but
24 have limited jurisdiction and cannot adequately address the problems
25 of market development that are complex, wide-ranging, and regional in
26 nature;

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

29 (i) The private sector has the greatest capacity for creating and
30 expanding markets for recycled commodities and the development of
31 private markets for recycled commodities is in the public interest;
32 and

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

5 (2) Therefore, it is the policy of the state to create the
6 recycling development center to research, incentivize, and develop
7 new markets and expand existing markets for recycled commodities and
8 recycling facilities.

9 NEW SECTION. **Sec. 2.** The definitions in this section apply
10 throughout this chapter unless the context clearly requires
11 otherwise.

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

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

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

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

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

20 (6) "Recycling" means transforming or remanufacturing waste
21 materials into usable or marketable materials for use other than
22 landfill disposal or incineration.

23 (7) "Secondary materials" means any materials that are not the
24 primary products from manufacturing and other industrial sectors.
25 These materials may include scrap and residuals from production
26 processes and products that have been recovered at the end of their
27 useful life.

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

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

35 (2) The purpose of the center is to provide or facilitate basic
36 and applied research and development, marketing, and policy analysis
37 in furthering the development of markets and processing for recycled
38 commodities and products. As used in this chapter, market development

1 consists of public and private activities that are used to overcome
2 impediments preventing full and productive use of secondary materials
3 diverted from the waste stream, and that encourage and expand use of
4 those materials and subsequent products. In fulfilling this mission,
5 the center must initially direct its services to businesses that
6 transform or remanufacture waste materials into usable or marketable
7 materials or products for use rather than disposal.

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

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

14 (b) Evaluate, analyze, and make recommendations on state policies
15 that may affect markets for recyclable materials. Such
16 recommendations must include explicit consideration of the costs and
17 benefits of the market-affecting policies, including estimates of the
18 anticipated: Rate impacts on solid waste utility ratepayers; impacts
19 on the prices of consumer goods affected by the recommended policies;
20 and impacts on rates of recycling or utilization of postconsumer
21 materials;

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

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

29 (e) Obtain and disseminate information relating to market
30 development for recyclable materials from other state and local
31 agencies and other sources;

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

34 (g) Provide grants or contracts to local governments, state
35 agencies, or other public institutions to further the development or
36 revitalization of recycling markets in accordance with applicable
37 rules and regulations;

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

1 (i) Represent the state in regional and national market
2 development issues and work to create a regional recycling
3 development council that will work across either state or provincial
4 borders, or both;

5 (j) Wherever necessary, the center must work with: Material
6 recovery facility operators; public and private sector recycling and
7 solid waste industries; packaging manufacturers and retailers; local
8 governments; environmental organizations; interested colleges and
9 universities; and state agencies, including the department of
10 commerce and the utilities and transportation commission; and

11 (k) Report to the legislature and the governor each even-numbered
12 year on the progress of achieving the center's purpose and performing
13 the center's activities, including any effects on state recycling
14 rates or rates of utilization of postconsumer materials in
15 manufactured products that can reasonably be attributed, at least in
16 part, to the activities of the center.

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

21 (a) Provide targeted business assistance to recycling businesses,
22 including:

23 (i) Development of business plans;

24 (ii) Market research and planning information;

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

26 (iv) Information on new technology and product development;

27 (b) Conduct outreach to negotiate voluntary agreements with
28 manufacturers to increase the use of recycled materials in products
29 and product development;

30 (c) Support, promote, and identify research and development to
31 stimulate new technologies and products using recycled materials;

32 (d) Actively promote manufacturing with recycled commodities, as
33 well as purchasing of recycled products by state agencies consistent
34 with and in addition to the requirements of chapter 43.19A RCW and
35 RCW 39.26.255, local governments, and the private sector;

36 (e) Undertake studies on the unmet capital and other needs of
37 reprocessing and manufacturing firms using recycled materials, such
38 as financing and incentive programs; and

1 (f) Conduct research to understand the waste stream supply chain
2 and incentive strategies for retention, expansion, and attraction of
3 innovative recycling technology businesses.

4 (5) The department may adopt any rules necessary to implement and
5 enforce this chapter including, but not limited to, measures for the
6 center's performance.

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

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

10 (a) Provide advice and guidance on the annual work plan of the
11 center; and

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

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

18 (a) One member to represent cities;

19 (b) One member appointed by the Washington association of county
20 solid waste managers to represent counties east of the crest of the
21 Cascade mountains;

22 (c) One member appointed by the Washington association of county
23 solid waste managers to represent counties west of the crest of the
24 Cascade mountains;

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

26 (e) Three members from universities or state and federal research
27 institutions;

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

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

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

38 (4) The initial appointments of the seven private sector members
39 are as follows: Three members with three-year terms and four members

1 with two-year terms. Thereafter, members serve two-year renewable
2 terms.

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

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

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

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

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

12 (1) There is hereby created an account within the state treasury
13 to be known as the waste reduction, recycling, and litter control
14 account. Moneys in the account may be spent only after appropriation.
15 Expenditures from the waste reduction, recycling, and litter control
16 account shall be used as follows:

17 (a) (~~(Fifty)~~) Forty percent to the department of ecology,
18 primarily for use by the departments of ecology, natural resources,
19 revenue, transportation, and corrections, and the parks and
20 recreation commission, for (~~use in~~) litter collection programs (~~to~~
21 ~~to be distributed~~) under RCW 70.93.220. The amount to the department
22 of ecology shall also be used for a central coordination function for
23 litter control efforts statewide; to support employment of youth in
24 litter cleanup as intended in RCW 70.93.020, and for litter pick up
25 using other authorized agencies; and for statewide public awareness
26 programs under RCW 70.93.200(7) (~~and to support employment of youth~~
27 ~~in litter cleanup as intended in RCW 70.93.020, and for litter pick~~
28 ~~up using other authorized agencies~~). The amount to the department
29 shall also be used to defray the costs of administering the funding,
30 coordination, and oversight of local government programs for waste
31 reduction, litter control, recycling, and composting so that local
32 governments can apply one hundred percent of their funding to
33 achieving program goals. The amount to the department of revenue
34 shall be used to enforce compliance with the litter tax imposed in
35 chapter 82.19 RCW;

36 (b) (i) Twenty percent to the department for local government
37 funding programs for waste reduction, litter control, recycling
38 activities, and composting activities by cities and counties under
39 RCW 70.93.250, to be administered by the department of ecology; (ii)

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

18 (c) (~~Thirty~~) Forty percent to the department of ecology to: (i)
19 Implement activities under RCW 70.93.200 for waste reduction,
20 recycling, and composting efforts; (ii) provide technical assistance
21 to local governments (~~for~~) and commercial (~~business and~~
22 ~~residential~~) businesses to increase recycling markets and recycling
23 and composting programs primarily for the products taxed under
24 chapter 82.19 RCW designed to educate citizens about waste reduction,
25 litter control, and recyclable and compostable products and programs;
26 and (iii) increase access to waste reduction, composting, and
27 recycling programs, particularly for food packaging and plastic bags
28 and appropriate composting techniques.

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

34 (3) Not less than five percent and no more than ten percent of
35 the amount appropriated into the waste reduction, recycling, and
36 litter control account every biennium shall be reserved for capital
37 needs, including the purchase of vehicles for transporting crews and
38 for collecting litter and solid waste. Capital funds shall be
39 distributed among state agencies and local governments according to
40 the same criteria provided in RCW 70.93.220 for the remainder of the

1 funds, so that the most effective waste reduction, litter control,
2 recycling, and composting programs receive the most funding. The
3 intent of this subsection is to provide funds for the purchase of
4 equipment that will enable the department to account for the greatest
5 return on investment in terms of reaching a zero litter goal.

6 (4) Funds in the waste reduction, recycling, and litter control
7 account, collected under chapter 82.19 RCW, must be prioritized for
8 the products identified under RCW 82.19.020 solely for the purposes
9 of recycling, composting, and litter collection, reduction, and
10 control programs.

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

13 Each county and city comprehensive solid waste management plan
14 shall include the following:

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

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

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

23 (a) Meet the minimum functional standards for solid waste
24 handling adopted by the department and all laws and regulations
25 relating to air and water pollution, fire prevention, flood control,
26 and protection of public health;

27 (b) Take into account the comprehensive land use plan of each
28 jurisdiction;

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

31 (d) Contain a plan for financing both capital costs and
32 operational expenditures of the proposed solid waste management
33 system.

34 (4) A program for surveillance and control.

35 (5) A current inventory and description of solid waste collection
36 needs and operations within each respective jurisdiction which shall
37 include:

38 (a) Any franchise for solid waste collection granted by the
39 utilities and transportation commission in the respective

1 jurisdictions including the name of the holder of the franchise and
2 the address of his or her place of business and the area covered by
3 the franchise;

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

6 (c) The population density of each area serviced by a city
7 operation or by a franchised operation within the respective
8 jurisdictions;

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

11 (6) A comprehensive waste reduction and recycling element that,
12 in accordance with the priorities established in RCW 70.95.010,
13 provides programs that (a) reduce the amount of waste generated, (b)
14 provide incentives and mechanisms for source separation, and (c)
15 establish recycling opportunities for the source separated waste.

16 (7) The waste reduction and recycling element shall include the
17 following:

18 (a) Waste reduction strategies;

19 (b) Source separation strategies, including:

20 (i) Programs for the collection of source separated materials
21 from residences in urban and rural areas. In urban areas, these
22 programs shall include collection of source separated recyclable
23 materials from single and multiple-family residences, unless the
24 department approves an alternative program, according to the criteria
25 in the planning guidelines. Such criteria shall include: Anticipated
26 recovery rates and levels of public participation, availability of
27 environmentally sound disposal capacity, access to markets for
28 recyclable materials, unreasonable cost impacts on the ratepayer over
29 the six-year planning period, utilization of environmentally sound
30 waste reduction and recycling technologies, and other factors as
31 appropriate. In rural areas, these programs shall include but not be
32 limited to drop-off boxes, buy-back centers, or a combination of
33 both, at each solid waste transfer, processing, or disposal site, or
34 at locations convenient to the residents of the county. The drop-off
35 boxes and buy-back centers may be owned or operated by public,
36 nonprofit, or private persons;

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

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

5 (iv) Programs to educate and promote the concepts of waste
6 reduction and recycling;

7 (c) Recycling strategies, including a description of markets for
8 recyclables, a review of waste generation trends, a description of
9 waste composition, a discussion and description of existing programs
10 and any additional programs needed to assist public and private
11 sector recycling, and an implementation schedule for the designation
12 of specific materials to be collected for recycling, and for the
13 provision of recycling collection services;

14 (d) Other information the county or city submitting the plan
15 determines is necessary.

16 (8) An assessment of the plan's impact on the costs of solid
17 waste collection. The assessment shall be prepared in conformance
18 with guidelines established by the utilities and transportation
19 commission. The commission shall cooperate with the Washington state
20 association of counties and the association of Washington cities in
21 establishing such guidelines.

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

24 (10) A contamination reduction and outreach plan. The
25 contamination reduction and outreach plan must address reducing
26 contamination in recycling. Except for counties with a population of
27 twenty-five thousand or fewer, by July 1, 2021, a contamination
28 reduction and outreach plan must be included in each solid waste
29 management plan by a plan amendment or included when revising or
30 updating a solid waste management plan developed under this chapter.
31 Jurisdictions may adopt the state's contamination reduction and
32 outreach plan as developed under RCW 70.95.100 in lieu of creating
33 their own plan. A recycling contamination reduction and outreach plan
34 must include the following:

35 (a) A list of actions for reducing contamination in recycling
36 programs for single-family and multiple-family residences, commercial
37 locations, and drop boxes depending on the jurisdictions system
38 components;

39 (b) A list of key contaminants identified by the jurisdiction or
40 identified by the department;

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

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

5 (e) An implementation schedule and details of how outreach is to
6 be conducted. Contamination reduction education methods may include
7 sharing community-wide messaging through newsletters, articles,
8 mailers, social media, web sites, or community events, informing
9 recycling drop box customers about contamination, and improving
10 signage.

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

13 (1) The department or the commission, as appropriate, shall
14 provide to counties and cities technical assistance including, but
15 not limited to, planning guidelines, in the preparation, review, and
16 revision of solid waste management plans required by this chapter.
17 Guidelines prepared under this section shall be consistent with the
18 provisions of this chapter. Guidelines for the preparation of the
19 waste reduction and recycling element of the comprehensive solid
20 waste management plan shall be completed by the department by March
21 15, 1990. These guidelines shall provide recommendations to local
22 government on materials to be considered for designation as
23 recyclable materials. The state solid waste management plan prepared
24 pursuant to RCW 70.95.260 shall be consistent with these guidelines.

25 (2) The department shall be responsible for development and
26 implementation of a comprehensive statewide public information
27 program designed to encourage waste reduction, source separation, and
28 recycling by the public. The department shall operate a toll free
29 hotline to provide the public information on waste reduction and
30 recycling.

31 (3) The department shall provide technical assistance to local
32 governments in the development and dissemination of informational
33 materials and related activities to assure recognition of unique
34 local waste reduction and recycling programs.

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

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

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

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

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

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

20 Any county may apply to the department on a form prescribed
21 thereby for financial aid for the preparation and implementation of
22 the comprehensive county plan for solid waste management required by
23 RCW 70.95.080, including contamination reduction and outreach plans.
24 Any city electing to prepare an independent city plan, a joint city
25 plan, or a joint county-city plan for solid waste management for
26 inclusion in the county comprehensive plan may apply for financial
27 aid for such purpose through the county. Every city application for
28 financial aid for planning shall be filed with the county auditor and
29 shall be included as a part of the county's application for financial
30 aid. Any city preparing an independent plan shall provide for
31 disposal sites wholly within its jurisdiction.

32 The department shall allocate to the counties and cities applying
33 for financial aid for planning and implementation, including
34 contamination reduction and outreach plan development and
35 implementation, such funds as may be available pursuant to
36 legislative appropriations or from any federal grants for such
37 purpose.

38 The department shall determine priorities and allocate available
39 funds among the counties and cities applying for aid according to

1 criteria established by regulations of the department considering
2 population, urban development, environmental effects of waste
3 disposal, existing waste handling practices, and the local
4 justification of their proposed expenditures.

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

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

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

E2SHB 1543 - S COMM AMD
By Committee on Ways & Means

ADOPTED 04/15/2019

15 On page 1, line 1 of the title, after "recycling;" strike the
16 remainder of the title and insert "amending RCW 70.93.180, 70.95.090,
17 70.95.100, and 70.95.130; adding a new chapter to Title 70 RCW;
18 creating a new section; providing an effective date; and declaring an
19 emergency."

EFFECT: Provides that the litter tax funds provided to Ecology
and other state agencies is to be used primarily for litter
collection programs. Requires the Recycling Development Center to
include life-cycle analysis as part of market development for
recyclable materials.

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