

ESHB 2713 - S COMM AMD

By Committee on Environment, Energy & Technology

ADOPTED 03/05/2020

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

3 "NEW SECTION. **Sec. 1.** The legislature finds and declares that
4 local compost manufacturing plays a critical role in our state's
5 solid waste infrastructure. Composting benefits Washington agencies,
6 counties, cities, businesses, and residents by diverting hundreds of
7 thousands of tons of organic waste from landfills, reducing solid
8 waste costs, and lowering carbon emissions. The legislature finds
9 that a growing number of local governments are recognizing the
10 benefits of composting programs and offering compost collection to
11 their residents and businesses. The diversion of food waste from
12 landfills to compost processors remains critical for state and local
13 governments to meet their ambitious diversion goals.

14 The legislature also finds that composting is a strong carbon
15 reduction industry for Washington, as the application of compost to
16 soil systems permits increased carbon sequestration. Compost can also
17 replace synthetic chemical fertilizer, prevent topsoil erosion, and
18 filter stormwater on green infrastructure projects such as rain
19 gardens and retention ponds.

20 The legislature declares that state and local governments should
21 lead by example by purchasing and using local compost that meets
22 state standards and by encouraging farming operations to do so as
23 well.

24 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.19A
25 RCW to read as follows:

26 (1) When planning government-funded projects or soliciting and
27 reviewing bids for such projects, all state agencies and local
28 governments shall consider whether compost products can be utilized
29 in the project.

1 (2) If compost products can be utilized in the project, the state
2 agency or local government must use compost products, except as
3 follows:

4 (a) A state agency or local government is not required to use
5 compost products if:

6 (i) Compost products are not available within a reasonable period
7 of time;

8 (ii) Compost products that are available do not comply with
9 existing purchasing standards;

10 (iii) Compost products that are available do not comply with
11 federal or state health, quality, and safety standards; and

12 (iv) Compost purchase prices are not reasonable or competitive;
13 and

14 (b) A state agency is also not required to use compost products
15 in a project if:

16 (i) The total cost of using compost is financially prohibitive;

17 (ii) Application of compost will have detrimental impacts on the
18 physical characteristics and nutrient condition of the soil as it is
19 used for a specific crop;

20 (iii) The project consists of growing trees in a greenhouse
21 setting, including seed orchard greenhouses; or

22 (iv) The compost products that are available have not been
23 certified as being free of crop-specific pests and pathogens,
24 including pests and pathogens that could result in the denial of
25 phytosanitary permits for shipping seedlings.

26 (3) Before the transportation or application of compost products
27 under this section, composting facilities, state agencies, and local
28 governments must ensure compliance with department of agriculture
29 pest control regulations provided in chapter 16-470 WAC.

30 (4) State agencies and local governments are encouraged to give
31 priority to purchasing compost products from companies that produce
32 compost products locally, are certified by a nationally recognized
33 organization, and produce compost products that are derived from
34 municipal solid waste compost programs and meet quality standards
35 adopted by rule by the department of ecology.

36 NEW SECTION. **Sec. 3.** A new section is added to chapter 43.19A
37 RCW to read as follows:

38 (1) Each local government that provides a residential composting
39 service is encouraged to enter into a purchasing agreement with its

1 compost processor to buy back finished compost products for use in
2 government projects or on government land. The local government is
3 encouraged to purchase an amount of finished compost product that is
4 equal to or greater than fifty percent of the amount of organic
5 residuals it delivered to the compost processor. Local governments
6 may enter into collective purchasing agreements if doing so is more
7 cost-effective or efficient. The compost processor should offer a
8 purchase price that is reasonable and competitive for the specific
9 market.

10 (2) When purchasing compost products for use in government
11 projects or on government-owned land, local governments are
12 encouraged to purchase compost with at least eight percent food
13 waste, or an amount of food waste that is commensurate with that in
14 the local jurisdiction's curbside collection program.

15 NEW SECTION. **Sec. 4.** (1) Subject to amounts appropriated for
16 this specific purpose, the department of agriculture must establish
17 and implement a three-year compost reimbursement pilot program to
18 reimburse farming operations in the state for purchasing and using
19 compost products from facilities with solid waste handling permits,
20 including transportation, equipment, spreading, and labor costs. The
21 grant reimbursements under the pilot program will begin January 1,
22 2021, and conclude December 31, 2023. For purposes of this program,
23 "farming operation" means: A commercial agricultural, silvicultural,
24 or aquacultural facility or pursuit, including the care and
25 production of livestock and livestock products, poultry and poultry
26 products, apiary products, and plant and animal production for
27 nonfood uses; the planting, cultivating, harvesting, and processing
28 of crops; and the farming or ranching of any plant or animal species
29 in a controlled salt, brackish, or freshwater environment.

30 (2) To be eligible to participate in the reimbursement pilot
31 program, a farming operation must complete an eligibility review with
32 the department of agriculture prior to transporting or applying any
33 compost products for which reimbursement will be sought under this
34 section. The purpose of the review is for the department of
35 agriculture to ensure that the proposed transport and application of
36 compost products is consistent with the department's agricultural
37 pest control rules in chapter 16-470 WAC. A farming operation must
38 also verify that soil sampling will be allowed as necessary to
39 establish a baseline of soil quality and carbon storage and for

1 subsequent department of agriculture evaluations to assist the
2 department's reporting requirements under subsection (9) of this
3 section.

4 (3) The department of agriculture must create a form for eligible
5 farming operations to apply for cost reimbursement. All applications
6 for cost reimbursement must be submitted on the form along with
7 documentation of the costs of purchasing and using compost products
8 for which the applicant is requesting reimbursement. The department
9 of agriculture may request that an applicant provide information to
10 verify the source, size, sale weight, or amount of compost products
11 purchased and the cost of transportation, equipment, spreading, and
12 labor. The applicant must also declare that it is not seeking
13 reimbursement for:

14 (a) Its own compost products;

15 (b) Compost products that it has transferred, or intends to
16 transfer, to another individual or entity, whether or not for
17 compensation; or

18 (c) Compost products that were not purchased from a facility with
19 a solid waste handling permit.

20 (4) A farming operation may submit only one application per year
21 for purchases made and usage costs incurred during the fiscal year
22 that begins on July 1st and ends on June 30th of each year in which
23 the pilot program is in effect. Applications for reimbursement must
24 be filed before the end of the fiscal year in which purchases were
25 made and usage costs incurred.

26 (5) The department of agriculture must distribute reimbursement
27 funds, subject to the following limitations:

28 (a) The department of agriculture must distribute reimbursements
29 in a manner that prioritizes small farming operations as measured by
30 acreage;

31 (b) No farming operation may receive reimbursement if it was not
32 found eligible for reimbursement by the department of agriculture
33 prior to transport or use under subsection (2) of this section;

34 (c) No farming operation may receive reimbursement for more than
35 fifty percent of the costs it incurs for the purchase and use of
36 compost products, including transportation, equipment, spreading, and
37 labor costs;

38 (d) No farming operation may receive more than ten thousand
39 dollars per year;

1 (e) No farming operation may receive reimbursement for its own
2 compost products or compost products that it has transferred, or
3 intends to transfer, to another individual or entity, whether or not
4 for compensation; and

5 (f) No farming operation may receive reimbursement for compost
6 products that were not purchased from a facility with a solid waste
7 handling permit.

8 (6) The applicant shall indemnify and hold harmless the state and
9 its officers, agents, and employees from all claims arising out of or
10 resulting from the compost products purchased that are subject to the
11 compost reimbursement pilot program under this section.

12 (7) There is established within the department of agriculture a
13 compost reimbursement pilot program manager position. The compost
14 reimbursement pilot program manager must possess knowledge and
15 expertise in the area of program management necessary to carry out
16 the duties of the position, which are to:

17 (a) Facilitate the division and distribution of available costs
18 for reimbursement; and

19 (b) Manage the day-to-day coordination of the compost
20 reimbursement pilot program.

21 (8) Any action taken by the department of agriculture pursuant to
22 this section is exempt from the rule-making requirements of chapter
23 34.05 RCW.

24 (9) The department of agriculture must submit an annual report to
25 the appropriate committees of the legislature by January 15th of each
26 year of the program, with a final report due January 15, 2024. The
27 report must include:

28 (a) The amount of compost for which reimbursement was sought
29 under the program;

30 (b) The qualitative or quantitative effects of the program on
31 soil quality and carbon storage; and

32 (c) An evaluation of the benefits and costs to the state of
33 continuing, expanding, or furthering the strategies explored in the
34 pilot program.

35 (10) This section expires June 30, 2024."

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1 On page 1, line 1 of the title, after "use;" strike the remainder
2 of the title and insert "adding new sections to chapter 43.19A RCW;
3 creating new sections; and providing an expiration date."

EFFECT: Specifies that grant reimbursements under the pilot program will begin January 1, 2021, and conclude December 31, 2023. Requires that applications for reimbursement be filed before the end of the fiscal year in which purchases were made and usage costs incurred. Removes requirements that the pilot program manager position be a full-time temporary position exempt from civil service, with a salary that may not exceed \$50,000 per year.

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