

FINAL BILL REPORT

SHB 2635

C 175 L 92
Synopsis As Enacted

Brief Description: Revising the model litter control and recycling act.

By House Committee on Revenue (originally sponsored by Representatives Rust, Horn, Valle, Heavey, Winsley and Brekke).

House Committee on Revenue
Senate Committee on Environment & Natural Resources

Background: The 1971 Legislature enacted the Model Litter Control and Recycling Act to control and recycle litter. To fund these efforts, the Legislature imposed an annual tax on the value of certain products manufactured and sold within the state. The tax is collected by the Department of Revenue (DOR) and applies in the same manner as the state business and occupation tax to specified categories of products. The rate of 0.015 percent is imposed on the manufacture, wholesale, and retail of:

- (1) Food for human or pet consumption;
- (2) Groceries;
- (3) Cigarettes and tobacco products;
- (4) Soft drinks and carbonated waters;
- (5) Beer and malt beverages;
- (6) Wine;
- (7) Newspapers and magazines;
- (8) Household paper and paper products;
- (9) Glass containers;
- (10) Metal containers;
- (11) Plastic or fiber containers;
- (12) Cleaning agents and toiletries; and
- (13) Drugstores' sundry products, excluding drugs.

Proceeds from the tax are deposited in the litter control account and are distributed by the Department of Ecology as follows:

- (1) 40 to 50 percent for youth litter patrol programs;
- (2) 20 to 30 percent for public education and administration of the Model Litter Control and Recycling Act; and
- (3) 20 to 30 percent for recycling.

In 1991, the Legislature created the Clean Washington Center to develop markets for recyclable materials, and funded the center for the 1991-93 biennium.

Summary: The Model Litter Control and Recycling Act is renamed the Waste Reduction, Recycling, and Model Litter Control Act. The purposes of the act are expanded to include promotion of markets for recyclable materials through the Clean Washington Center and other means.

The percentages for distribution of litter tax revenues are eliminated. For fiscal year 1993, proceeds from the litter tax are to be used to control litter, encourage recycling, enforce compliance with the litter tax, and for market development. After fiscal year 1993, 40 to 50 percent of revenues are to be used for youth litter control programs. Remaining revenues are to be used for recycling, encouraging compliance with the litter tax, market development for recycling, and public education and promotion of litter control and recycling programs.

Instead of requiring businesses to separately account for taxable and nontaxable products, DOR may establish rules allowing businesses to pay the tax based on the ratio of the taxable activity to total sales.

Votes on Final Passage:

House	98	0	
Senate	43	3	(Senate amended)
House	90	0	(House concurred)

Effective: July 1, 1992