
HOUSE BILL 1594

State of Washington

61st Legislature

2009 Regular Session

By Representatives Hudgins, Hunt, Rolfes, Hasegawa, White, Eddy, McCoy, Wood, Conway, and Kenney

Read first time 01/26/09. Referred to Committee on Higher Education.

1 AN ACT Relating to the creation of the environmental cleanup
2 opportunity grant program; reenacting and amending RCW 70.105D.070;
3 adding a new chapter to Title 28B RCW; and creating a new section.

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

5 NEW SECTION. **Sec. 1.** FINDINGS. The legislature finds that:

6 (1) The beneficial stewardship of the land, air, and waters of the
7 state is a solemn obligation of the present generation for the benefit
8 of future generations.

9 (2) There are many hazardous waste sites in this state, and cleanup
10 of these sites requires trained environmental professionals.

11 (3) Encouraging outstanding students to enter the environmental
12 cleanup profession is of vital importance to the state of Washington.
13 By creating the environmental cleanup opportunity grant program, the
14 legislature intends to assist in the effort to recruit the next
15 generation of environmental cleanup professionals consistent with the
16 green economy jobs growth initiative under RCW 43.330.310.

17 NEW SECTION. **Sec. 2.** DEFINITIONS. Unless the context clearly

1 requires otherwise, the definitions in this section apply throughout
2 this chapter.

3 (1) "Conditional scholarship" means a loan that is forgiven in
4 whole or in part if the recipient graduates with a bachelor's degree
5 focused on cleanup of contaminated hazardous waste sites under the
6 model toxics control act, chapter 70.105D RCW, and works on cleanup of
7 contaminated sites for a period of two years. The conditional
8 scholarship under this chapter is the environmental cleanup opportunity
9 grant.

10 (2) "Institution of higher education" or "institution" means a
11 college or university in the state of Washington that is accredited by
12 an accrediting association recognized as such by rule of the higher
13 education coordinating board.

14 (3) "Board" means the higher education coordinating board.

15 (4) "Eligible student" means a student who is registered for at
16 least fifteen quarter credit hours or the equivalent, demonstrates high
17 academic achievement, is a resident student as defined by RCW
18 28B.15.012 and 28B.15.013, and has a declared intention to complete a
19 major course of study leading to an environmental career in the cleanup
20 of hazardous substances at contaminated facilities.

21 (5) "Facility" means (a) any building, structure, installation,
22 equipment, pipe or pipeline (including any pipe into a sewer or
23 publicly owned treatment works), well, pit, pond, lagoon, impoundment,
24 ditch, landfill, storage container, motor vehicle, rolling stock,
25 vessel, or aircraft; or (b) any site or area where a hazardous
26 substance, other than a consumer product in consumer use, has been
27 deposited, stored, disposed of, or placed, or otherwise come to be
28 located.

29 (6) "Forgiven" or "to forgive" or "forgiveness" means to render
30 service as an environmental cleanup professional in the state of
31 Washington in lieu of monetary repayment.

32 (7) "Satisfied" means paid-in-full.

33 (8) "Participant" means an eligible student who has received a
34 conditional scholarship under this chapter.

35 (9) "Eligible place of work" means the department of ecology's
36 toxic cleanup program, a governmental entity, nongovernmental
37 organization, or private firm engaged in projects or programs primarily

1 dedicated to the cleanup of hazardous substances at contaminated
2 facilities within the state of Washington.

3 (10) "Environmental cleanup employment obligation" means full-time
4 or part-time employment with an eligible place of work totaling the
5 equivalent of two years of full-time work within the first five years
6 after graduation.

7 (11) "Equalization fee" means the additional amount added to the
8 principal of a loan under this chapter to equate the debt to that which
9 the student would have incurred if the loan had been received through
10 the federal subsidized Stafford student loan program.

11 NEW SECTION. **Sec. 3.** PROGRAM CREATED--POWERS AND DUTIES OF BOARD.

12 The environmental cleanup opportunity grant program is created. The
13 program shall be administered by the higher education coordinating
14 board. In administering the program, the board shall have the
15 following powers and duties:

- 16 (1) Select students to receive conditional scholarships;
- 17 (2) Adopt necessary rules and guidelines;
- 18 (3) Publicize the program;
- 19 (4) Collect and manage repayments from students who do not meet
20 their environmental cleanup employment obligations under this chapter;
21 and
- 22 (5) Award scholarships to eligible students if moneys are
23 available.

24 NEW SECTION. **Sec. 4.** SELECTION OF PARTICIPANTS--PROCESSES--

25 CRITERIA. (1) The board may select participants based on an
26 application process conducted by the board or the board may use
27 selection processes for similar students in cooperation with the
28 department of ecology.

29 (2) If the board selects participants for the program, it shall
30 establish a selection committee for screening and selecting recipients
31 of the conditional scholarships. The criteria shall emphasize factors
32 demonstrating excellence including but not limited to superior
33 scholastic achievement, leadership ability, community contributions,
34 willingness to commit to providing environmental cleanup service in
35 areas of critical state need, and an ability to act as a role model for
36 students.

1 NEW SECTION. **Sec. 5.** SATISFACTORY PROGRESS REQUIRED. To receive
2 additional disbursements under the program under this chapter, a
3 participant must be considered by his or her institution of higher
4 education to be in a satisfactory progress condition.

5 NEW SECTION. **Sec. 6.** AWARD OF CONDITIONAL SCHOLARSHIPS AND LOAN
6 REPAYMENTS--AMOUNT--DURATION. The board may award up to ten
7 conditional scholarships in a twelve-month period to eligible
8 participants from the funds appropriated to the board from the state
9 toxics control account created in RCW 70.105D.070, or from any private
10 donations, or any other funds given to the board for this program. The
11 amount of the conditional scholarship awarded an individual shall not
12 exceed the amount of tuition and fees at the institution of higher
13 education attended by the participant or resident undergraduate tuition
14 and fees at the University of Washington per academic year for a full-
15 time student, whichever is lower. Participants are eligible to receive
16 conditional scholarships for a maximum of two years.

17 NEW SECTION. **Sec. 7.** REPAYMENT OBLIGATION. (1) Participants in
18 the conditional scholarship program incur an obligation to repay the
19 conditional scholarship, with interest and an equalization fee, unless
20 they graduate from an institution of higher education with a major
21 focused on cleanup of contaminated hazardous waste sites pursuant to
22 chapter 70.105D RCW and are employed at an eligible worksite for the
23 equivalent of two years of full-time employment served during the first
24 five years following graduation, under rules adopted by the board.
25 Participants who are employed at an eligible place of work shall have
26 one year of loan canceled for each year they work.

27 (2) The interest rate shall be determined annually by the board.
28 Participants who fail to complete the environmental cleanup service
29 shall incur an equalization fee based on the remaining unforgiven
30 balance of the loan. The equalization fee shall be added to the
31 remaining balance and repaid by the participant.

32 (3) The minimum payment shall be set by the board. The maximum
33 period for repayment shall be ten years, with payments of principal and
34 interest accruing quarterly commencing six months from the date the
35 participant completes or discontinues the course of study. Provisions
36 for deferral of payment shall be determined by the board.

1 (4) The entire principal and interest of each payment shall be
2 forgiven for each payment period in which the participant works at an
3 eligible place of work until the entire repayment obligation is
4 satisfied. Should the participant cease to work on cleanup of
5 contaminated sites in this state before the participant's repayment
6 obligation is completed, payments on the unsatisfied portion of the
7 principal and interest shall begin the next payment period and continue
8 until the remainder of the participant's repayment obligation is
9 satisfied.

10 (5) The board is responsible for collection of repayments made
11 under this section and shall exercise due diligence in such collection,
12 maintaining all necessary records to ensure that maximum repayments are
13 made. Collection and servicing of repayments under this section shall
14 be pursued using the full extent of the law, including wage garnishment
15 if necessary. The board is responsible to forgive all or parts of such
16 repayments under the criteria established in this section and shall
17 maintain all necessary records of forgiven payments.

18 (6) Receipts from the payment of principal or interest or any other
19 subsidies to which the board as administrator is entitled, which are
20 paid by or on behalf of participants under this section, shall be
21 deposited in the environmental cleanup opportunity grant account and
22 shall be used to cover the costs of granting the conditional
23 scholarships, maintaining necessary records, and making collections
24 under subsection (5) of this section. The board shall maintain
25 accurate records of these costs, and all receipts beyond those
26 necessary to pay such costs shall be used to grant conditional
27 scholarships to eligible students.

28 (7) The board shall adopt rules to define the terms of repayment,
29 including applicable interest rates, fees, and deferments. The board
30 is encouraged to adopt rules consistent with similar programs to the
31 extent feasible.

32 NEW SECTION. **Sec. 8.** ENVIRONMENTAL CLEANUP OPPORTUNITY GRANT
33 ACCOUNT. (1) The environmental cleanup opportunity grant account is
34 created in the custody of the state treasurer. An appropriation is not
35 required for expenditures of funds from the account. The account is
36 not subject to allotment procedures under chapter 43.88 RCW except for
37 moneys used for program administration.

1 (2) The board shall deposit in the account all moneys received for
2 the environmental cleanup opportunity grant program. The account shall
3 be self-sustaining and consist of funds appropriated by the legislature
4 from the state toxics control account created in RCW 70.105D.070 for
5 the environmental cleanup opportunity grant program, private
6 contributions to the program, and receipts from participant repayments
7 from the environmental cleanup opportunity grant program.

8 (3) Expenditures from the account may be used solely for
9 conditional loans to participants in the environmental cleanup
10 opportunity grant program established by this chapter and costs
11 associated with program administration by the board.

12 (4) Disbursements from the account may be made only on the
13 authorization of the board.

14 **Sec. 9.** RCW 70.105D.070 and 2008 c 329 s 921, 2008 c 329 s 920,
15 2008 c 329 s 919, and 2008 c 328 s 6009 are each reenacted and amended
16 to read as follows:

17 (1) The state toxics control account and the local toxics control
18 account are hereby created in the state treasury.

19 (2) The following moneys shall be deposited into the state toxics
20 control account: (a) Those revenues which are raised by the tax
21 imposed under RCW 82.21.030 and which are attributable to that portion
22 of the rate equal to thirty-three one-hundredths of one percent; (b)
23 the costs of remedial actions recovered under this chapter or chapter
24 70.105A RCW; (c) penalties collected or recovered under this chapter;
25 and (d) any other money appropriated or transferred to the account by
26 the legislature. Moneys in the account may be used only to carry out
27 the purposes of this chapter, including but not limited to the
28 following activities:

29 (i) The state's responsibility for hazardous waste planning,
30 management, regulation, enforcement, technical assistance, and public
31 education required under chapter 70.105 RCW;

32 (ii) The state's responsibility for solid waste planning,
33 management, regulation, enforcement, technical assistance, and public
34 education required under chapter 70.95 RCW;

35 (iii) The hazardous waste cleanup program required under this
36 chapter;

37 (iv) State matching funds required under the federal cleanup law;

1 (v) Financial assistance for local programs in accordance with
2 chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

3 (vi) State government programs for the safe reduction, recycling,
4 or disposal of hazardous wastes from households, small businesses, and
5 agriculture;

6 (vii) Hazardous materials emergency response training;

7 (viii) Water and environmental health protection and monitoring
8 programs;

9 (ix) Programs authorized under chapter 70.146 RCW;

10 (x) A public participation program, including regional citizen
11 advisory committees;

12 (xi) Public funding to assist potentially liable persons to pay for
13 the costs of remedial action in compliance with cleanup standards under
14 RCW 70.105D.030(2)(e) but only when the amount and terms of such
15 funding are established under a settlement agreement under RCW
16 70.105D.040(4) and when the director has found that the funding will
17 achieve both (A) a substantially more expeditious or enhanced cleanup
18 than would otherwise occur, and (B) the prevention or mitigation of
19 unfair economic hardship; (~~and~~))

20 (xii) Development and demonstration of alternative management
21 technologies designed to carry out the hazardous waste management
22 priorities of RCW 70.105.150; and

23 (xiii) Conditional scholarships awarded under the environmental
24 cleanup opportunity grant program established under chapter 28B. . .RCW
25 (sections 1 through 8 of this act).

26 (3) The following moneys shall be deposited into the local toxics
27 control account: Those revenues which are raised by the tax imposed
28 under RCW 82.21.030 and which are attributable to that portion of the
29 rate equal to thirty-seven one-hundredths of one percent.

30 (a) Moneys deposited in the local toxics control account shall be
31 used by the department for grants or loans to local governments for the
32 following purposes in descending order of priority:

33 (i) Remedial actions;

34 (ii) Hazardous waste plans and programs under chapter 70.105 RCW;

35 (iii) Solid waste plans and programs under chapters 70.95, 70.95C,
36 70.95I, and 70.105 RCW;

37 (iv) Funds for a program to assist in the assessment and cleanup of

1 sites of methamphetamine production, but not to be used for the initial
2 containment of such sites, consistent with the responsibilities and
3 intent of RCW 69.50.511; and

4 (v) Cleanup and disposal of hazardous substances from abandoned or
5 derelict vessels, defined for the purposes of this section as vessels
6 that have little or no value and either have no identified owner or
7 have an identified owner lacking financial resources to clean up and
8 dispose of the vessel, that pose a threat to human health or the
9 environment.

10 (b) Funds for plans and programs shall be allocated consistent with
11 the priorities and matching requirements established in chapters
12 70.105, 70.95C, 70.95I, and 70.95 RCW, except that any applicant that
13 is a Puget Sound partner, as defined in RCW 90.71.010, along with any
14 project that is referenced in the action agenda developed by the Puget
15 Sound partnership under RCW 90.71.310, shall, except as conditioned by
16 RCW 70.105D.120, receive priority for any available funding for any
17 grant or funding programs or sources that use a competitive bidding
18 process. During the 2007-2009 fiscal biennium, moneys in the account
19 may also be used for grants to local governments to retrofit public
20 sector diesel equipment and for storm water planning and implementation
21 activities.

22 (c) Funds may also be appropriated to the department of health to
23 implement programs to reduce testing requirements under the federal
24 safe drinking water act for public water systems. The department of
25 health shall reimburse the account from fees assessed under RCW
26 70.119A.115 by June 30, 1995.

27 (d) To expedite cleanups throughout the state, the department shall
28 partner with local communities and liable parties for cleanups. The
29 department is authorized to use the following additional strategies in
30 order to ensure a healthful environment for future generations:

31 (i) The director may alter grant-matching requirements to create
32 incentives for local governments to expedite cleanups when one of the
33 following conditions exists:

34 (A) Funding would prevent or mitigate unfair economic hardship
35 imposed by the clean-up liability;

36 (B) Funding would create new substantial economic development,
37 public recreational, or habitat restoration opportunities that would
38 not otherwise occur; or

1 (C) Funding would create an opportunity for acquisition and
2 redevelopment of vacant, orphaned, or abandoned property under RCW
3 70.105D.040(5) that would not otherwise occur;

4 (ii) The use of outside contracts to conduct necessary studies;

5 (iii) The purchase of remedial action cost-cap insurance, when
6 necessary to expedite multiparty clean-up efforts.

7 (4) Except for unanticipated receipts under RCW 43.79.260 through
8 43.79.282, moneys in the state and local toxics control accounts may be
9 spent only after appropriation by statute.

10 (5) One percent of the moneys deposited into the state and local
11 toxics control accounts shall be allocated only for public
12 participation grants to persons who may be adversely affected by a
13 release or threatened release of a hazardous substance and to not-for-
14 profit public interest organizations. The primary purpose of these
15 grants is to facilitate the participation by persons and organizations
16 in the investigation and remedying of releases or threatened releases
17 of hazardous substances and to implement the state's solid and
18 hazardous waste management priorities. However, during the 1999-2001
19 fiscal biennium, funding may not be granted to entities engaged in
20 lobbying activities, and applicants may not be awarded grants if their
21 cumulative grant awards under this section exceed two hundred thousand
22 dollars. No grant may exceed sixty thousand dollars. Grants may be
23 renewed annually. Moneys appropriated for public participation from
24 either account which are not expended at the close of any biennium
25 shall revert to the state toxics control account.

26 (6) No moneys deposited into either the state or local toxics
27 control account may be used for solid waste incinerator feasibility
28 studies, construction, maintenance, or operation, or, after January 1,
29 2010, for projects designed to address the restoration of Puget Sound,
30 funded in a competitive grant process, that are in conflict with the
31 action agenda developed by the Puget Sound partnership under RCW
32 90.71.310.

33 (7) The department shall adopt rules for grant or loan issuance and
34 performance.

35 (8) During the 2007-2009 fiscal biennium, the legislature may
36 transfer from the local toxics control account to the state toxics
37 control account such amounts as reflect excess fund balance in the
38 account.

1 (9) During the 2007-2009 fiscal biennium, the local toxics control
2 account may also be used for a standby rescue tug at Neah Bay.

3 NEW SECTION. **Sec. 10.** Sections 1 through 8 of this act constitute
4 a new chapter in Title 28B RCW.

5 NEW SECTION. **Sec. 11.** Captions used in this act are not any part
6 of the law.

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