CERTIFICATION OF ENROLLMENT

ENGROSSED SUBSTITUTE HOUSE BILL 1060

64th Legislature 2015 Regular Session

Passed by the House March 3, 2015 CERTIFICATE Yeas 96 Nays 1 I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is Speaker of the House of Representatives SUBSTITUTE HOUSE BILL ENGROSSED 1060 as passed by House of Representatives and the Senate on the dates hereon set forth. Passed by the Senate April 8, 2015 Yeas 47 Nays 0

Chief Clerk

President of the Senate Approved

FILED

Secretary of State State of Washington

Governor of the State of Washington

ENGROSSED SUBSTITUTE HOUSE BILL 1060

Passed Legislature - 2015 Regular Session

State of Washington 64th Legislature 2015 Regular Session

By House Environment (originally sponsored by Representatives Fitzgibbon, Short, Farrell, Pike, Gregerson, Jinkins, and Fey)

READ FIRST TIME 01/23/15.

AN ACT Relating to directing state investments of existing litter tax revenues under chapter 82.19 RCW in material waste management efforts without increasing the tax rate; amending RCW 70.93.020, 70.93.180, 70.93.200, 82.19.040, and 82.19.040; reenacting and amending RCW 70.93.180; adding a new section to chapter 82.04 RCW; providing an effective date; and providing an expiration date.

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

8 **Sec. 1.** RCW 70.93.020 and 1998 c 257 s 2 are each amended to 9 read as follows:

10 <u>(1)</u> The purpose of this chapter is to accomplish litter control, 11 increase waste reduction, and stimulate all components of recycling 12 <u>and composting</u> throughout this state by delegating to the department 13 of ecology the authority to:

14 (((1)))(a) Conduct a permanent and continuous program to control 15 and remove litter from this state to the maximum practical extent 16 possible;

17 (((2)))(b) Recover and recycle waste materials related to litter 18 and littering;

19 (((3)))(c) Foster public and private recycling of recyclable 20 materials <u>and composting of compostable materials</u>; 1 (((4)))(d) Increase public awareness of the need for waste 2 reduction, recycling, ((and)) litter control, and composting; ((and))

3 (5))(e) Coordinate the litter collection efforts ((and 4 expenditure of funds for litter collection)) by other agencies 5 identified in this chapter; and

6 (f) Coordinate and expend funds collected under chapter 82.19 RCW
7 with priority given to products identified under RCW 82.19.020 and
8 solely for the purposes of waste reduction, recycling, composting,
9 and litter collection and control programs.

(2) It is further the intent and purpose of this chapter to: (a) 10 11 Create jobs for employment of youth in litter cleanup and related 12 activities ((and to)); (b) stimulate and encourage ((small, private)) recycling ((centers)); and (c) encourage proper and appropriate 13 composting. This program shall include the compatible goal of 14 recovery of recyclable materials to conserve energy and natural 15 16 resources wherever practicable. Every other department of state 17 government and all local governmental units and agencies of this 18 state shall cooperate with the department of ecology in the 19 administration and enforcement of this chapter. The intent of this chapter is to add to and to coordinate existing recycling and litter 20 control and removal efforts and not terminate or supplant such 21 22 efforts.

Sec. 2. RCW 70.93.180 and 2013 2nd sp.s. c 15 s 6 and 2013 2nd sp.s. c 4 s 989 are each reenacted and amended to read as follows: (1) There is hereby created an account within the state treasury to be known as the waste reduction, recycling, and litter control account. Moneys in the account may be spent only after appropriation. Expenditures from the waste reduction, recycling, and litter control account shall be used as follows:

30 (a) Fifty percent to the department of ecology, for use by the departments of ecology, natural resources, revenue, transportation, 31 and corrections, and the parks and recreation commission, for use in 32 litter collection programs, to be distributed under RCW 70.93.220. 33 The amount to the department of ecology shall also be used for a 34 central coordination function for litter control efforts statewide; 35 ((for the biennial litter survey under RCW 70.93.200(8);)) for 36 statewide public awareness programs under RCW 70.93.200(7); and 37 38 ((during the 2013-2015 biennium,)) to support employment of youth in litter clean up as intended in RCW 70.93.020, and for litter pick up 39

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

9 $(b)(\underline{i})$ Twenty percent to the department $((\div (\underline{i})))\underline{f}$ or local 10 government funding programs for waste reduction, litter control, ((and)) recycling activities, and composting activities by cities and 11 12 counties under RCW 70.93.250, to be administered by the department of ecology; ((and (ii) during the 2013-2015 biennium, to create a 13 matching fund competitive grant program to be used by local 14 15 governments and nonprofit organizations for local or statewide 16 education programs designed to help the public with litter reduction, 17 and recycling of primarily the products taxed under chapter 82.19 18 RCW. Unspent funds from (a) and (c) of this subsection may be applied 19 to the competitive grant program))(ii) any unspent funds under (b)(i) of this subsection may be used to create and pay for a matching fund 20 competitive grant program to provide funding to qualified local 21 governments and nonprofit organizations for local or statewide 22 education programs designed to help the public with litter control, 23 24 waste reduction, recycling, and composting of primarily the products 25 taxed under chapter 82.19 RCW. Grants must adhere to the following requirements: (A) No grant may exceed sixty thousand dollars; (B) 26 27 grant recipients shall match the grant funding allocated by the 28 department by an amount equal to twenty-five percent of eligible expenses. A local government's share of these costs may be met by 29 30 cash or contributed services; (C) the obligation of the department to make grant payments is contingent upon the availability of the amount 31 32 of money appropriated for this subsection (1)(b); and (D) grants are managed under the guidelines for existing grant programs; and 33

(c) Thirty percent to the department of ecology ((for waste reduction and recycling efforts))to: (i) Implement activities under RCW 70.93.200 for waste reduction, recycling, and composting efforts; (ii) provide technical assistance to local governments for commercial business and residential recycling and composting programs primarily for the products taxed under chapter 82.19 RCW designed to educate the public about waste reduction, litter control, and recyclable and

compostable products and programs; and (iii) increase access to waste 1 reduction, composting, and recycling programs, particularly for food 2 packaging and plastic bags and appropriate composting techniques. 3 ((During the 2013-2015 biennium, these funds are to be used to: (i) 4 Implement activities under RCW 70.93.200 for waste reduction, 5 6 recycling efforts; (ii) provide technical assistance to local governments for commercial business and residential recycling 7 programs primarily for the products taxed under chapter 82.19 RCW 8 designed to educate citizens about waste and litter reduction and 9 10 recyclable products and programs; and (iii) increase access to recycling programs, particularly for food packaging and plastic bags 11 12 and appropriate techniques of discarding products.))

13 (2) All moneys directed to the waste reduction, recycling, and 14 litter control account under RCW 82.19.040 and fines and bail 15 forfeitures collected or received pursuant to this chapter shall be 16 deposited in the account and used for the programs under subsection 17 (1) of this section.

(3) Not less than five percent and no more than ten percent of 18 19 the amount appropriated into the waste reduction, recycling, and litter control account every biennium shall be reserved for capital 20 needs, including the purchase of vehicles for transporting crews and 21 for collecting litter and solid waste. Capital funds 22 shall be 23 distributed among state agencies and local governments according to the same criteria provided in RCW 70.93.220 for the remainder of the 24 25 funds, so that the most effective waste reduction, litter control, 26 ((and)) recycling, and composting programs receive the most funding. The intent of this subsection is to provide funds for the purchase of 27 28 equipment that will enable the department to account for the greatest 29 return on investment in terms of reaching a zero litter goal.

30 (((5) [(4)] During the 2013-2015 biennium,))(4) Funds in the 31 waste reduction, recycling, and litter control account, collected 32 under chapter 82.19 RCW, must be prioritized for the products 33 identified under RCW 82.19.020 solely for the purposes of <u>waste</u> 34 <u>reduction</u>, recycling, composting, and litter collection, reduction, 35 and control programs.

36 (((6) [(5)] During the 2013-2015 biennium, the legislature may 37 appropriate funds from the waste reduction, recycling, and litter 38 control account to the state parks and recreation commission for 39 parks operation and maintenance.))

1 Sec. 3. RCW 70.93.180 and 2013 2nd sp.s. c 4 s 989 are each 2 amended to read as follows:

3 (1) There is hereby created an account within the state treasury 4 to be known as the waste reduction, recycling, and litter control 5 account. Moneys in the account may be spent only after appropriation. 6 Expenditures from the waste reduction, recycling, and litter control 7 account shall be used as follows:

(a) Fifty percent to the department of ecology, for use by the 8 departments of ecology, natural resources, revenue, transportation, 9 and corrections, and the parks and recreation commission, for use in 10 11 litter collection programs, to be distributed under RCW 70.93.220. 12 The amount to the department of ecology shall also be used for a central coordination function for litter control efforts statewide; 13 ((for the biennial litter survey under RCW 70.93.200(8);)) for 14 statewide public awareness programs under RCW 70.93.200(7); and 15 16 ((during the 2013-2015 biennium,)) to support employment of youth in 17 litter clean up as intended in RCW 70.93.020, and for litter pick up using other authorized agencies. The amount to the department shall 18 also be used to defray the costs of administering the funding, 19 coordination, and oversight of local government programs for waste 20 21 reduction, litter control, ((and)) recycling, and composting so that 22 local governments can apply one hundred percent of their funding to achieving program goals. The amount to the department of revenue 23 shall be used to enforce compliance with the litter tax imposed in 24 25 chapter 82.19 RCW;

26 $(b)(\underline{i})$ Twenty percent to the department($(\div (\underline{i})))\underline{f}$ or local government funding programs for waste reduction, litter control, 27 28 ((and)) recycling activities, and composting activities by cities and counties under RCW 70.93.250, to be administered by the department of 29 ecology; ((and)) (ii) ((during the 2013-2015 biennium,))any unspent 30 31 funds under (b)(i) of this subsection may be used to create and pay 32 for a matching fund competitive grant program to be used by local 33 governments and nonprofit organizations for local or statewide education programs designed to help the public with litter control, 34 waste reduction, ((and)) recycling, and composting of primarily the 35 36 products taxed under chapter 82.19 RCW. ((Unspent funds from (a) and (c) of this subsection may be applied to the competitive grant 37 program)). Grants must adhere to the following requirements: (A) No 38 39 grant may exceed sixty thousand dollars; (B) grant recipients shall 40 match the grant funding allocated by the department by an amount

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1 equal to twenty-five percent of eligible expenses. A local 2 government's share of these costs may be met by cash or contributed 3 services; (C) the obligation of the department to make grant payments 4 is contingent upon the availability of the amount of money 5 appropriated for this subsection (1)(b); and (D) grants are managed 6 under the guidelines for existing grant programs; and

7 (c) Thirty percent to the department of ecology ((for waste reduction and recycling efforts. During the 2013-2015 biennium, these 8 funds are to be used)) to: (i) Implement activities under RCW 9 70.93.200 for waste reduction, recycling, and composting efforts; 10 11 (ii) provide technical assistance to local governments for commercial 12 and residential recycling programs primarily for the business products taxed under chapter 82.19 RCW designed to educate citizens 13 14 about waste ((and litter reduction))reduction, litter control, and recyclable and compostable products and programs; and (iii) increase 15 16 access to waste reduction, composting, and recycling programs, 17 particularly for food packaging and plastic bags and appropriate 18 composting techniques ((of discarding products)).

19 (2) All taxes imposed in RCW 82.19.010 and fines and bail 20 forfeitures collected or received pursuant to this chapter shall be 21 deposited in the waste reduction, recycling, and litter control 22 account and used for the programs under subsection (1) of this 23 section.

(3) Not less than five percent and no more than ten percent of 24 25 the amount appropriated into the waste reduction, recycling, and 26 litter control account every biennium shall be reserved for capital needs, including the purchase of vehicles for transporting crews and 27 for collecting litter and solid waste. Capital funds shall be 28 29 distributed among state agencies and local governments according to the same criteria provided in RCW 70.93.220 for the remainder of the 30 31 funds, so that the most effective waste reduction, litter control, ((and)) recycling, and composting programs receive the most funding. 32 33 The intent of this subsection is to provide funds for the purchase of equipment that will enable the department to account for the greatest 34 35 return on investment in terms of reaching a zero litter goal.

36 (4) ((During the 2011-2013 fiscal biennium, the legislature may 37 transfer from the waste reduction, recycling, and litter control 38 account to the state general fund such amounts as reflect the excess 39 fund balance of the account. Additionally, during the 2011-2013

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1 fiscal biennium, subsection (1)(a), (b), and (c) of this section is
2 suspended.

3 (5) During the 2013-2015 biennium,))<u>F</u>unds in the waste reduction, 4 recycling, and litter control account, collected under chapter 82.19 5 RCW, must be prioritized for the products identified under RCW 6 82.19.020 solely for the purposes of recycling, <u>composting</u>, and 7 litter collection, reduction, and control programs.

8 (((6) During the 2013-2015 biennium, the legislature may 9 appropriate funds from the waste reduction, recycling, and litter 10 control account to the state parks and recreation commission for 11 parks operation and maintenance.))

12 **Sec. 4.** RCW 70.93.200 and 2014 c 76 s 2 are each amended to read 13 as follows:

In addition to the foregoing, the department of ecology shall <u>use</u> the moneys from RCW 70.93.180 of the waste reduction, recycling, and <u>litter control account to</u>:

(1) Serve as the coordinating agency between the various industry organizations seeking to aid in the waste reduction, anti-litter, ((and)) recycling, and composting efforts;

20 (2) Serve as the coordinating and administrating agency for all 21 state agencies and local governments receiving funds for waste 22 reduction, litter control, ((and)) recycling, and composting under 23 this chapter;

(3) Recommend to the governing bodies of all local governmentsthat they adopt ordinances similar to the provisions of this chapter;

26 (4) Cooperate with all local governments to accomplish 27 coordination of local waste reduction, anti-litter, ((and)) 28 recycling, and composting efforts;

(5) Encourage, organize, and coordinate all voluntary local waste reduction, anti-litter, and recycling campaigns seeking to focus the attention of the public on the programs of this state to reduce waste, control and remove litter, and foster recycling <u>and</u> <u>composting</u>;

(6) Investigate the availability of, and apply for funds
 available from any private or public source to be used in the program
 outlined in this chapter;

37 (7) Develop statewide programs by working with local governments,38 payers of the waste reduction, recycling, and litter control tax, and

industry organizations that are active in waste reduction, antilitter, ((and)) recycling, and composting efforts to:

3 <u>(a) Increase public awareness of and participation in recycling</u> 4 <u>and composting;</u> and ((to))

5 <u>(b)</u> Stimulate and encourage local private recycling and 6 composting centers, public participation in recycling and composting, 7 and research and development in the field of litter control, and 8 recycling, removal, and disposal of litter-related recycling 9 materials, and composting; and

10 (8) ((Conduct a periodic statewide litter survey targeted at 11 litter composition, sources, demographics, and geographic trends; and

12 (9)) Provide on the department's web site a summary of all waste 13 reduction, litter control, ((and)) recycling, and composting efforts 14 statewide including those of the department and other state agencies 15 and local governments funded for such programs under this chapter.

16 Sec. 5. RCW 82.19.040 and 2013 2nd sp.s. c 15 s 5 are each 17 amended to read as follows:

(1) To the extent applicable, all of the definitions of chapter
82.04 RCW and all of the provisions of chapter 82.32 RCW apply to the
tax imposed in this chapter.

(2) <u>Until June 30, 2017, taxes</u> collected under this chapter shall be distributed as follows: (a) Five million dollars per fiscal year must be deposited in equal monthly amounts to the state parks renewal and stewardship account under RCW 79A.05.215; and (b) the remainder to the waste reduction, recycling, and litter control account under RCW 70.93.180.

27 Sec. 6. RCW 82.19.040 and 2001 c 118 s 6 are each amended to 28 read as follows:

(1) To the extent applicable, all of the definitions of chapter
82.04 RCW and all of the provisions of chapter 82.32 RCW apply to the
tax imposed in this chapter.

32 (2) <u>Beginning June 30, 2017, taxes</u> collected under this chapter 33 shall be deposited in the waste reduction, recycling, and litter 34 control account under RCW 70.93.180.

35 <u>NEW SECTION.</u> Sec. 7. A new section is added to chapter 82.04 36 RCW to read as follows:

1 (1) This chapter does not apply to grants received by a nonprofit 2 organization from the matching fund competitive grant program 3 established in RCW 70.93.180(1)(b)(ii).

4 (2) This section is not subject to the requirements of RCW 5 82.32.805 and 82.32.808, and is not subject to an expiration date.

6 <u>NEW SECTION.</u> **Sec. 8.** Sections 2 and 5 of this act expire June 7 30, 2017.

8 <u>NEW SECTION.</u> Sec. 9. Sections 3 and 6 of this act take effect 9 June 30, 2017.

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