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ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1543

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State of Washington

66th Legislature

2019 Regular Session

**By** House Appropriations (originally sponsored by Representatives Mead, Doglio, Lekanoff, Peterson, Fey, Appleton, Shewmake, Stanford, Tharinger, Jinkins, Pollet, Slatter, Frame, and Davis; by request of Department of Ecology)

READ FIRST TIME 03/01/19.

1 AN ACT Relating to sustainable recycling; amending RCW 70.93.180,  
2 70.95.090, 70.95.100, and 70.95.130; adding a new chapter to Title 70  
3 RCW; creating a new section; providing an effective date; and  
4 declaring an emergency.

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

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

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

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

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

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

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

1 (f) Washington recognizes the value of manufacturing incentives  
2 to encourage recycling industries to locate and operate in Washington  
3 and provide manufacturer incentives to improve the recyclability of  
4 their products;

5 (g) Many local governments and private entities cumulatively  
6 affect, and are affected by, the market for recycled commodities but  
7 have limited jurisdiction and cannot adequately address the problems  
8 of market development that are complex, wide-ranging, and regional in  
9 nature;

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

12 (i) The private sector has the greatest capacity for creating and  
13 expanding markets for recycled commodities and the development of  
14 private markets for recycled commodities is in the public interest;  
15 and

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

20 (2) Therefore, it is the policy of the state to create the  
21 recycling development center to research, incentivize, and develop  
22 new markets and expand existing markets for recycled commodities and  
23 recycling facilities.

24 NEW SECTION. **Sec. 2.** The definitions in this section apply  
25 throughout this chapter unless the context clearly requires  
26 otherwise.

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

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

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

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

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

35 (6) "Recycling" means transforming or remanufacturing waste  
36 materials into usable or marketable materials for use other than  
37 landfill disposal or incineration.

38 (7) "Secondary materials" means any materials that are not the  
39 primary products from manufacturing and other industrial sectors.

1 These materials may include scrap and residuals from production  
2 processes and products that have been recovered at the end of their  
3 useful life.

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

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

11 (2) The purpose of the center is to provide or facilitate basic  
12 and applied research and development, marketing, and policy analysis  
13 in furthering the development of markets and processing for recycled  
14 commodities and products. As used in this chapter, market development  
15 consists of public and private activities that are used to overcome  
16 impediments preventing full and productive use of secondary materials  
17 diverted from the waste stream, and that encourage and expand use of  
18 those materials and subsequent products. In fulfilling this mission,  
19 the center must initially direct its services to businesses that  
20 transform or remanufacture waste materials into usable or marketable  
21 materials or products for use rather than disposal.

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

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

28 (b) Evaluate, analyze, and make recommendations on state policies  
29 that may affect markets for recyclable materials. Such  
30 recommendations must include explicit consideration of the costs and  
31 benefits of the market-effecting policies, including estimates of the  
32 anticipated: Rate impacts on solid waste utility ratepayers; impacts  
33 on the prices of consumer goods affected by the recommended policies;  
34 and impacts on rates of recycling or utilization of postconsumer  
35 materials;

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

1 (d) Initiate, conduct, or contract for studies relating to market  
2 development for recyclable materials, including but not limited to  
3 applied research, technology transfer, and pilot demonstration  
4 projects;

5 (e) Obtain and disseminate information relating to market  
6 development for recyclable materials from other state and local  
7 agencies and other sources;

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

10 (g) Provide grants or contracts to local governments, state  
11 agencies, or other public institutions to further the development or  
12 revitalization of recycling markets in accordance with applicable  
13 rules and regulations;

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

16 (i) Represent the state in regional and national market  
17 development issues and work to create a regional recycling  
18 development council that will work across either state or provincial  
19 borders, or both;

20 (j) Wherever necessary, the center must work with: Material  
21 recovery facility operators; public and private sector recycling and  
22 solid waste industries; packaging manufacturers and retailers; local  
23 governments; environmental organizations; interested colleges and  
24 universities; and state agencies, including the department of  
25 commerce and the utilities and transportation commission; and

26 (k) Report to the legislature and the governor each even-numbered  
27 year on the progress of achieving the center's purpose and performing  
28 the center's activities, including any effects on state recycling  
29 rates or rates of utilization of postconsumer materials in  
30 manufactured products that can reasonably be attributed, at least in  
31 part, to the activities of the center.

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

36 (a) Provide targeted business assistance to recycling businesses,  
37 including:

38 (i) Development of business plans;

39 (ii) Market research and planning information;

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

- 1 (iv) Information on new technology and product development;
- 2 (b) Conduct outreach to negotiate voluntary agreements with  
3 manufacturers to increase the use of recycled materials in products  
4 and product development;
- 5 (c) Support, promote, and identify research and development to  
6 stimulate new technologies and products using recycled materials;
- 7 (d) Actively promote manufacturing with recycled commodities, as  
8 well as purchasing of recycled products by state agencies consistent  
9 with and in addition to the requirements of chapter 43.19A RCW and  
10 RCW 39.26.255, local governments, and the private sector;
- 11 (e) Undertake studies on the unmet capital and other needs of  
12 reprocessing and manufacturing firms using recycled materials, such  
13 as financing and incentive programs; and
- 14 (f) Conduct research to understand the waste stream supply chain  
15 and incentive strategies for retention, expansion, and attraction of  
16 innovative recycling technology businesses.
- 17 (5) The department may adopt any rules necessary to implement and  
18 enforce this chapter including, but not limited to, measures for the  
19 center's performance.

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

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

23 (a) Provide advice and guidance on the annual work plan of the  
24 center; and

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

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

31 (a) One member to represent cities;

32 (b) One member to represent counties east of the crest of the  
33 Cascade mountains;

34 (c) One member to represent counties west of the crest of the  
35 Cascade mountains;

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

37 (e) Three members from universities or state and federal research  
38 institutions;

1 (f) Up to seven private sector members to represent all aspects  
2 of the recycling materials system, including but not limited to  
3 manufacturing and packaging, and solid waste management;

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

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

8 (4) The initial appointments of the seven private sector members  
9 are as follows: Three members with three-year terms and four members  
10 with two-year terms. Thereafter, members serve two-year renewable  
11 terms.

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

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

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

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

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

21 (1) There is hereby created an account within the state treasury  
22 to be known as the waste reduction, recycling, and litter control  
23 account. Moneys in the account may be spent only after appropriation.  
24 Expenditures from the waste reduction, recycling, and litter control  
25 account shall be used as follows:

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

1 goals. The amount to the department of revenue shall be used to  
2 enforce compliance with the litter tax imposed in chapter 82.19 RCW;

3 (b) (i) Twenty percent to the department for local government  
4 funding programs for waste reduction, litter control, recycling  
5 activities, and composting activities by cities and counties under  
6 RCW 70.93.250, to be administered by the department of ecology; (ii)  
7 any unspent funds under (b) (i) of this subsection may be used to  
8 create and pay for a matching fund competitive grant program to be  
9 used by local governments for the development and implementation of  
10 contamination reduction and outreach plans for inclusion in  
11 comprehensive solid waste management plans or by local governments  
12 and nonprofit organizations for local or statewide education programs  
13 designed to help the public with litter control, waste reduction,  
14 recycling, and composting of primarily the products taxed under  
15 chapter 82.19 RCW. Grants must adhere to the following requirements:  
16 (A) No grant may exceed sixty thousand dollars; (B) grant recipients  
17 shall match the grant funding allocated by the department by an  
18 amount equal to twenty-five percent of eligible expenses. A local  
19 government's share of these costs may be met by cash or contributed  
20 services; (C) the obligation of the department to make grant payments  
21 is contingent upon the availability of the amount of money  
22 appropriated for this subsection (1)(b); and (D) grants are managed  
23 under the guidelines for existing grant programs; and

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

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

1           (3) Not less than five percent and no more than ten percent of  
2 the amount appropriated into the waste reduction, recycling, and  
3 litter control account every biennium shall be reserved for capital  
4 needs, including the purchase of vehicles for transporting crews and  
5 for collecting litter and solid waste. Capital funds shall be  
6 distributed among state agencies and local governments according to  
7 the same criteria provided in RCW 70.93.220 for the remainder of the  
8 funds, so that the most effective waste reduction, litter control,  
9 recycling, and composting programs receive the most funding. The  
10 intent of this subsection is to provide funds for the purchase of  
11 equipment that will enable the department to account for the greatest  
12 return on investment in terms of reaching a zero litter goal.

13           (4) Funds in the waste reduction, recycling, and litter control  
14 account, collected under chapter 82.19 RCW, must be prioritized for  
15 the products identified under RCW 82.19.020 solely for the purposes  
16 of recycling, composting, and litter collection, reduction, and  
17 control programs.

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

20           Each county and city comprehensive solid waste management plan  
21 shall include the following:

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

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

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

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

34           (b) Take into account the comprehensive land use plan of each  
35 jurisdiction;

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



1 (d) Contain a plan for financing both capital costs and  
2 operational expenditures of the proposed solid waste management  
3 system.

4 (4) A program for surveillance and control.

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

8 (a) Any franchise for solid waste collection granted by the  
9 utilities and transportation commission in the respective  
10 jurisdictions including the name of the holder of the franchise and  
11 the address of his or her place of business and the area covered by  
12 the franchise;

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

15 (c) The population density of each area serviced by a city  
16 operation or by a franchised operation within the respective  
17 jurisdictions;

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

20 (6) A comprehensive waste reduction and recycling element that,  
21 in accordance with the priorities established in RCW 70.95.010,  
22 provides programs that (a) reduce the amount of waste generated, (b)  
23 provide incentives and mechanisms for source separation, and (c)  
24 establish recycling opportunities for the source separated waste.

25 (7) The waste reduction and recycling element shall include the  
26 following:

27 (a) Waste reduction strategies;

28 (b) Source separation strategies, including:

29 (i) Programs for the collection of source separated materials  
30 from residences in urban and rural areas. In urban areas, these  
31 programs shall include collection of source separated recyclable  
32 materials from single and multiple-family residences, unless the  
33 department approves an alternative program, according to the criteria  
34 in the planning guidelines. Such criteria shall include: Anticipated  
35 recovery rates and levels of public participation, availability of  
36 environmentally sound disposal capacity, access to markets for  
37 recyclable materials, unreasonable cost impacts on the ratepayer over  
38 the six-year planning period, utilization of environmentally sound  
39 waste reduction and recycling technologies, and other factors as  
40 appropriate. In rural areas, these programs shall include but not be

1 limited to drop-off boxes, buy-back centers, or a combination of  
2 both, at each solid waste transfer, processing, or disposal site, or  
3 at locations convenient to the residents of the county. The drop-off  
4 boxes and buy-back centers may be owned or operated by public,  
5 nonprofit, or private persons;

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

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

13 (iv) Programs to educate and promote the concepts of waste  
14 reduction and recycling;

15 (c) Recycling strategies, including a description of markets for  
16 recyclables, a review of waste generation trends, a description of  
17 waste composition, a discussion and description of existing programs  
18 and any additional programs needed to assist public and private  
19 sector recycling, and an implementation schedule for the designation  
20 of specific materials to be collected for recycling, and for the  
21 provision of recycling collection services;

22 (d) Other information the county or city submitting the plan  
23 determines is necessary.

24 (8) An assessment of the plan's impact on the costs of solid  
25 waste collection. The assessment shall be prepared in conformance  
26 with guidelines established by the utilities and transportation  
27 commission. The commission shall cooperate with the Washington state  
28 association of counties and the association of Washington cities in  
29 establishing such guidelines.

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

32 (10) A contamination reduction and outreach plan. The  
33 contamination reduction and outreach plan must address reducing  
34 contamination in recycling. Except for counties with a population of  
35 twenty-five thousand or fewer, by July 1, 2021, a contamination  
36 reduction and outreach plan must be included in each solid waste  
37 management plan by a plan amendment or included when revising or  
38 updating a solid waste management plan developed under this chapter.  
39 Jurisdictions may adopt the state's contamination reduction and  
40 outreach plan as developed under RCW 70.95.100 in lieu of creating

1 their own plan. A recycling contamination reduction and outreach plan  
2 must include the following:

3 (a) A list of actions for reducing contamination in recycling  
4 programs for single-family and multiple-family residences, commercial  
5 locations, and drop boxes depending on the jurisdictions system  
6 components;

7 (b) A list of key contaminants identified by the jurisdiction or  
8 identified by the department;

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

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

13 (e) An implementation schedule and details of how outreach is to  
14 be conducted. Contamination reduction education methods may include  
15 sharing community-wide messaging through newsletters, articles,  
16 mailers, social media, web sites, or community events, informing  
17 recycling drop box customers about contamination, and improving  
18 signage.

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

21 (1) The department or the commission, as appropriate, shall  
22 provide to counties and cities technical assistance including, but  
23 not limited to, planning guidelines, in the preparation, review, and  
24 revision of solid waste management plans required by this chapter.  
25 Guidelines prepared under this section shall be consistent with the  
26 provisions of this chapter. Guidelines for the preparation of the  
27 waste reduction and recycling element of the comprehensive solid  
28 waste management plan shall be completed by the department by March  
29 15, 1990. These guidelines shall provide recommendations to local  
30 government on materials to be considered for designation as  
31 recyclable materials. The state solid waste management plan prepared  
32 pursuant to RCW 70.95.260 shall be consistent with these guidelines.

33 (2) The department shall be responsible for development and  
34 implementation of a comprehensive statewide public information  
35 program designed to encourage waste reduction, source separation, and  
36 recycling by the public. The department shall operate a toll free  
37 hotline to provide the public information on waste reduction and  
38 recycling.

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

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

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

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

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

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

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

29 Any county may apply to the department on a form prescribed  
30 thereby for financial aid for the preparation and implementation of  
31 the comprehensive county plan for solid waste management required by  
32 RCW 70.95.080, including contamination reduction and outreach plans.  
33 Any city electing to prepare an independent city plan, a joint city  
34 plan, or a joint county-city plan for solid waste management for  
35 inclusion in the county comprehensive plan may apply for financial  
36 aid for such purpose through the county. Every city application for  
37 financial aid for planning shall be filed with the county auditor and  
38 shall be included as a part of the county's application for financial

1 aid. Any city preparing an independent plan shall provide for  
2 disposal sites wholly within its jurisdiction.

3 The department shall allocate to the counties and cities applying  
4 for financial aid for planning and implementation, including  
5 contamination reduction and outreach plan development and  
6 implementation, such funds as may be available pursuant to  
7 legislative appropriations or from any federal grants for such  
8 purpose.

9 The department shall determine priorities and allocate available  
10 funds among the counties and cities applying for aid according to  
11 criteria established by regulations of the department considering  
12 population, urban development, environmental effects of waste  
13 disposal, existing waste handling practices, and the local  
14 justification of their proposed expenditures.

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

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

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

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