CERTIFICATION OF ENROLLMENT

SENATE BILL 5345

Chapter 308, Laws of 2021

67th Legislature 2021 Regular Session

INDUSTRIAL WASTE COORDINATION PROGRAM

EFFECTIVE DATE: July 25, 2021

Passed by the Senate April 14, 2021 Yeas 48 Nays 0

DENNY HECK

President of the Senate

Passed by the House April 10, 2021 Yeas 95 Nays 2

LAURIE JINKINS

Speaker of the House of Representatives

Approved May 13, 2021 11:55 AM

CERTIFICATE

I, Brad Hendrickson, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SENATE BILL 5345** as passed by the Senate and the House of Representatives on the dates hereon set forth.

BRAD HENDRICKSON

Secretary

FILED

May 13, 2021

JAY INSLEE

Governor of the State of Washington

Secretary of State State of Washington

SENATE BILL 5345

AS AMENDED BY THE HOUSE

Passed Legislature - 2021 Regular Session

State of Washington 67th Legislature 2021 Regular Session

By Senators Brown, Rolfes, Das, Hasegawa, Lovelett, Mullet, Nguyen, Randall, and Rivers

Read first time 01/25/21. Referred to Committee on Environment, Energy & Technology.

- 1 AN ACT Relating to establishing a statewide industrial waste
- 2 coordination program; amending RCW 42.56.270; adding new sections to
- 3 chapter 43.31 RCW; and creating new sections.
- BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON: 4
- NEW SECTION. The legislature finds that industrial 5 Sec. 1. 6 symbiosis networks create valuable collaborative opportunities where 7
 - the underutilized resources of one company, such as waste, by-
- products, residues, energy, water, logistics, capacity, expertise, 8 9
- equipment, and materials may be used by another. The legislature
- 10 further finds that many existing businesses and organizations in the
- 11 state have the potential to partner in the establishment of these
- 12 networks, and the formation of industrial symbiosis innovation hubs
- 13 at the state and local level would facilitate a systems approach that
- 14 identifies business opportunities to improve resource utilization and
- 15 productivity for a more sustainable and integrated industrial
- 16 economy.
- 17 Therefore, the legislature intends to establish a statewide
- 18 industrial waste coordination program in order to nurture and
- 19 coordinate existing industrial symbiosis efforts and to catalyze new
- 20 symbiosis opportunities. Furthermore, industrial the legislature
- 21 intends to establish the program in order to: Find ways of turning

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- 1 waste and by-products into valued resource inputs; reduce waste
- 2 management costs; generate new business opportunities; increase the
- 3 size and diversity of business networks; identify means of improving
- 4 environmental performance; achieve environmental justice in goals and
- 5 policies; incentivize pathways to family-wage, green jobs; expand the
- 6 regional circular economy; and drive innovation.

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- NEW SECTION. Sec. 2. A new section is added to chapter 43.31 RCW to read as follows:
- 9 (1) An industrial waste coordination program is established in 10 order to provide expertise, technical assistance, and best practices 11 to support local industrial symbiosis projects.
- 12 (2) The industrial waste coordination program must be 13 administered by the department of commerce and administered 14 regionally, with each region provided with a dedicated facilitator 15 and technical and administrative support.
- 16 (3) The industrial waste coordination program must facilitate 17 waste exchange by:
- 18 (a) Developing inventories of industrial waste innovation 19 currently in operation;
- 20 (b) Generating a material flow data collection system in order to 21 capture and manage data on resource availability and potential 22 synergies;
 - (c) Establishing guidance and best practices for emerging local industrial resource hubs, which must include a consideration of steps to avoid creating or worsening negative impacts to overburdened communities as identified by tools such as the department of health's environmental health disparities map;
- 28 (d) Identifying access to capital in order to fund projects, 29 including federal, state, local, and private funding;
- 30 (e) Developing economic, environmental, and health disparities 31 metrics to measure the results of industrial or commercial hubs;
- 32 (f) Hosting workshops and connecting regional businesses, 33 governments, utilities, research institutions, and other 34 organizations in order to identify opportunities for resource 35 collaboration;
- 36 (g) Assisting entities throughout the entire life cycle of 37 industrial symbiosis projects, from identification of opportunities 38 to full project implementation;

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- 1 (h) Developing economic cluster initiatives in order to spur 2 growth and innovation; and
 - (i) Making any additional recommendations to the legislature in order to incentivize and facilitate industrial symbiosis.
 - (4) The department of commerce may coordinate with other agencies, representatives of business and manufacturing networks, and other entities in order to develop material flow generation data and increase multisectoral outreach.
- 9 (5) In generating the material flow data collection system under subsections (3)(b) and (4) of this section, the department of commerce may only use publicly available data or data voluntarily provided by program participants. No entity may be required to disclose material flow data. The department of commerce must keep any proprietary business information confidential and such information is exempt from public disclosure, as provided in RCW 42.56.270.
- NEW SECTION. Sec. 3. A new section is added to chapter 43.31 RCW to read as follows:
 - (1) Subject to the availability of amounts appropriated for this specific purpose, a competitive industrial symbiosis grant program is established in order to provide grants for the research, development, and deployment of local waste coordination projects.
 - (2) Grants may go towards:

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- 23 (a) Existing industrial symbiosis efforts by public or private sector organizations;
 - (b) Emerging industrial symbiosis opportunities involving public or private sector organizations, including projects arising from:
- 27 (i) The industrial waste coordination program established in 28 section 2 of this act;
- 29 (ii) Conceptual work completed by public utilities to redirect 30 their wastes to productive use; or
- 31 (iii) Existing inventories or project concepts involving specific 32 biobased wastes converted to renewable natural gas;
 - (c) Research on product development using a specific waste flow;
 - (d) Feasibility studies to evaluate potential biobased resources;
- 35 (e) Feasibility studies for publicly owned utilities to evaluate 36 business models to transform to multiutility operations or for the 37 evaluation of potential symbiosis connections with other regional 38 businesses; or

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1 (f) Other local waste coordination projects as determined by the department of commerce.

- (3) The department of commerce must develop a method and criteria for the allocation of grants, subject to the following:
- (a) Project allocation should reflect geographic diversity, with grants being distributed equally in western and eastern parts of the state, urban and rural areas, and small towns and large cities;
- (b) Project allocation should consider factors such as time to implementation and scale of economic or environmental benefits;
 - (c) Grants must require a one-to-one nonstate to state match;
 - (d) Individual grant awards may not exceed \$500,000; and
- 12 (e) Project allocation should avoid creating or worsening 13 environmental health disparities and should make use of tools such as 14 the department of health's environmental health disparities map.
- **Sec. 4.** RCW 42.56.270 and 2020 c 238 s 11 are each amended to 16 read as follows:

The following financial, commercial, and proprietary information is exempt from disclosure under this chapter:

- (1) Valuable formulae, designs, drawings, computer source code or object code, and research data obtained by any agency within five years of the request for disclosure when disclosure would produce private gain and public loss;
- (2) Financial information supplied by or on behalf of a person, firm, or corporation for the purpose of qualifying to submit a bid or proposal for (a) a ferry system construction or repair contract as required by RCW 47.60.680 through 47.60.750; (b) highway construction or improvement as required by RCW 47.28.070; or (c) alternative public works contracting procedures as required by RCW 39.10.200 through 39.10.905;
- (3) Financial and commercial information and records supplied by private persons pertaining to export services provided under chapters 43.163 and 53.31 RCW, and by persons pertaining to export projects under RCW 43.23.035;
- (4) Financial and commercial information and records supplied by businesses or individuals during application for loans or program services provided by chapters 43.325, 43.163, 43.160, 43.330, and 43.168 RCW, or during application for economic development loans or program services provided by any local agency;

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(5) Financial information, business plans, examination reports, and any information produced or obtained in evaluating or examining a business and industrial development corporation organized or seeking certification under chapter 31.24 RCW;

- (6) Financial and commercial information supplied to the state investment board by any person when the information relates to the investment of public trust or retirement funds and when disclosure would result in loss to such funds or in private loss to the providers of this information;
 - (7) Financial and valuable trade information under RCW 51.36.120;
- (8) Financial, commercial, operations, and technical and research information and data submitted to or obtained by the clean Washington center in applications for, or delivery of, program services under chapter 70.95H RCW;
- (9) Financial and commercial information requested by the public stadium authority from any person or organization that leases or uses the stadium and exhibition center as defined in RCW 36.102.010;
- (10)(a) Financial information, including but not limited to account numbers and values, and other identification numbers supplied by or on behalf of a person, firm, corporation, limited liability company, partnership, or other entity related to an application for a horse racing license submitted pursuant to RCW 67.16.260(1)(b), marijuana producer, processor, or retailer license, liquor license, gambling license, or lottery retail license;
- (b) Internal control documents, independent auditors' reports and financial statements, and supporting documents: (i) Of house-banked social card game licensees required by the gambling commission pursuant to rules adopted under chapter 9.46 RCW; or (ii) submitted by tribes with an approved tribal/state compact for class III gaming;
- (c) Valuable formulae or financial or proprietary commercial information records received during a consultative visit or while providing consultative services to a licensed marijuana business in accordance with RCW 69.50.561;
- (11) Proprietary data, trade secrets, or other information that relates to: (a) A vendor's unique methods of conducting business; (b) data unique to the product or services of the vendor; or (c) determining prices or rates to be charged for services, submitted by any vendor to the department of social and health services or the health care authority for purposes of the development, acquisition,

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- or implementation of state purchased health care as defined in RCW 41.05.011;
- 3 (12)(a) When supplied to and in the records of the department of commerce:

- (i) Financial and proprietary information collected from any person and provided to the department of commerce pursuant to RCW 43.330.050(8); ((and))
 - (ii) Financial or proprietary information collected from any person and provided to the department of commerce or the office of the governor in connection with the siting, recruitment, expansion, retention, or relocation of that person's business and until a siting decision is made, identifying information of any person supplying information under this subsection and the locations being considered for siting, relocation, or expansion of a business; and
- (iii) Financial or proprietary information collected from any person and provided to the department of commerce pursuant to section 2 (3)(b) and (4) of this act;
 - (b) When developed by the department of commerce based on information as described in (a)(i) of this subsection, any work product is not exempt from disclosure;
 - (c) For the purposes of this subsection, "siting decision" means the decision to acquire or not to acquire a site;
 - (d) If there is no written contact for a period of sixty days to the department of commerce from a person connected with siting, recruitment, expansion, retention, or relocation of that person's business, information described in (a)(ii) of this subsection will be available to the public under this chapter;
 - (13) Financial and proprietary information submitted to or obtained by the department of ecology or the authority created under chapter ((70.95N)) RCW to implement chapter ((70.95N)) RCW;
 - (14) Financial, commercial, operations, and technical and research information and data submitted to or obtained by the life sciences discovery fund authority in applications for, or delivery of, grants under RCW 43.330.502, to the extent that such information, if revealed, would reasonably be expected to result in private loss to the providers of this information;
- 38 (15) Financial and commercial information provided as evidence to 39 the department of licensing as required by RCW 19.112.110 or 40 19.112.120, except information disclosed in aggregate form that does

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1 not permit the identification of information related to individual 2 fuel licensees;

- (16) Any production records, mineral assessments, and trade secrets submitted by a permit holder, mine operator, or landowner to the department of natural resources under RCW 78.44.085;
- (17) (a) Farm plans developed by conservation districts, unless permission to release the farm plan is granted by the landowner or operator who requested the plan, or the farm plan is used for the application or issuance of a permit;
- 10 (b) Farm plans developed under chapter 90.48 RCW and not under 11 the federal clean water act, 33 U.S.C. Sec. 1251 et seq., are subject 12 to RCW 42.56.610 and 90.64.190;
 - (18) Financial, commercial, operations, and technical and research information and data submitted to or obtained by a health sciences and services authority in applications for, or delivery of, grants under RCW 35.104.010 through 35.104.060, to the extent that such information, if revealed, would reasonably be expected to result in private loss to providers of this information;
- 19 (19) Information gathered under chapter 19.85 RCW or RCW 20 34.05.328 that can be identified to a particular business;
 - (20) Financial and commercial information submitted to or obtained by the University of Washington, other than information the university is required to disclose under RCW 28B.20.150, when the information relates to investments in private funds, to the extent that such information, if revealed, would reasonably be expected to result in loss to the University of Washington consolidated endowment fund or to result in private loss to the providers of this information;
- 29 (21) Market share data submitted by a manufacturer under RCW ((70.95N.190(4))) 70A.500.190(4);
 - (22) Financial information supplied to the department of financial institutions, when filed by or on behalf of an issuer of securities for the purpose of obtaining the exemption from state securities registration for small securities offerings provided under RCW 21.20.880 or when filed by or on behalf of an investor for the purpose of purchasing such securities;
- 37 (23) Unaggregated or individual notices of a transfer of crude 38 oil that is financial, proprietary, or commercial information, 39 submitted to the department of ecology pursuant to RCW 40 90.56.565(1)(a), and that is in the possession of the department of

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ecology or any entity with which the department of ecology has shared the notice pursuant to RCW 90.56.565;

- (24) Financial institution and retirement account information, and building security plan information, supplied to the liquor and cannabis board pursuant to RCW 69.50.325, 69.50.331, 69.50.342, and 69.50.345, when filed by or on behalf of a licensee or prospective licensee for the purpose of obtaining, maintaining, or renewing a license to produce, process, transport, or sell marijuana as allowed under chapter 69.50 RCW;
- (25) Marijuana transport information, vehicle and driver identification data, and account numbers or unique access identifiers issued to private entities for traceability system access, submitted by an individual or business to the liquor and cannabis board under the requirements of RCW 69.50.325, 69.50.331, 69.50.342, and 69.50.345 for the purpose of marijuana product traceability. Disclosure to local, state, and federal officials is not considered public disclosure for purposes of this section;
- (26) Financial and commercial information submitted to or obtained by the retirement board of any city that is responsible for the management of an employees' retirement system pursuant to the authority of chapter 35.39 RCW, when the information relates to investments in private funds, to the extent that such information, if revealed, would reasonably be expected to result in loss to the retirement fund or to result in private loss to the providers of this information except that (a) the names and commitment amounts of the private funds in which retirement funds are invested and (b) the aggregate quarterly performance results for a retirement fund's portfolio of investments in such funds are subject to disclosure;
- (27) Proprietary financial, commercial, operations, and technical and research information and data submitted to or obtained by the liquor and cannabis board in applications for marijuana research licenses under RCW 69.50.372, or in reports submitted by marijuana research licensees in accordance with rules adopted by the liquor and cannabis board under RCW 69.50.372;
- (28) Trade secrets, technology, proprietary information, and financial considerations contained in any agreements or contracts, entered into by a licensed marijuana business under RCW 69.50.395, which may be submitted to or obtained by the state liquor and cannabis board;

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- 1 (29) Financial, commercial, operations, and technical and 2 research information and data submitted to or obtained by the Andy 3 Hill cancer research endowment program in applications for, or 4 delivery of, grants under chapter 43.348 RCW, to the extent that such 5 information, if revealed, would reasonably be expected to result in 6 private loss to providers of this information;
- 7 (30) Proprietary information filed with the department of health 8 under chapter 69.48 RCW;
- 9 (31) Records filed with the department of ecology under chapter ((70.375)) 70A.515 RCW that a court has determined are confidential valuable commercial information under RCW ((70.375.130)) 70A.515.130; and
- 13 (32) Unaggregated financial, proprietary, or commercial information submitted to or obtained by the liquor and cannabis board in applications for licenses under RCW 66.24.140 or 66.24.145, or in any reports or remittances submitted by a person licensed under RCW 66.24.140 or 66.24.145 under rules adopted by the liquor and cannabis board under chapter 66.08 RCW.
- NEW SECTION. Sec. 5. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2021, in the omnibus appropriations act, this act is null and void.

Passed by the Senate April 14, 2021. Passed by the House April 10, 2021. Approved by the Governor May 13, 2021. Filed in Office of Secretary of State May 13, 2021.

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