

HOUSE BILL REPORT

E2SSB 5284

As Reported by House Committee On:

Environment & Energy
Appropriations

Title: An act relating to improving Washington's solid waste management outcomes.

Brief Description: Improving Washington's solid waste management outcomes.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Lovelett, Shewmake, Nobles, Bateman, Salomon, Saldaña, Stanford, Wilson, C., Frame, Pedersen, Hasegawa, Lias, Orwall, Slatter and Valdez).

Brief History:

Committee Activity:

Environment & Energy: 3/17/25, 3/31/25 [DPA];

Appropriations: 4/5/25, 4/7/25 [DPA(APP w/o ENVI)].

Brief Summary of Engrossed Second Substitute Bill (As Amended by Committee)

- Requires producers of certain paper products and packaging (covered PPP) to participate in and fund the operations of a producer responsibility organization related to the postconsumer management of covered PPP and other recycling-related activities.

HOUSE COMMITTEE ON ENVIRONMENT & ENERGY

Majority Report: Do pass as amended. Signed by 11 members: Representatives Doglio, Chair; Hunt, Vice Chair; Berry, Duerr, Fitzgibbon, Kloba, Mena, Ramel, Stearns, Street and Wylie.

Minority Report: Do not pass. Signed by 6 members: Representatives Dye, Ranking Minority Member; Klicker, Assistant Ranking Member; Abbarno, Abell, Barnard and

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Mendoza.

Minority Report: Without recommendation. Signed by 4 members: Representatives Fey, Ley, Stuebe and Ybarra.

Staff: Jacob Lipson (786-7196).

Background:

Solid Waste Management in Washington.

Under the state's solid waste management laws, local governments are the primary government entity responsible for implementing state solid waste management requirements. The Department of Ecology (Ecology) also has certain roles in overseeing the administration of solid waste management laws. Ecology is responsible for working cooperatively with local governments as they develop their local solid waste management plans. County and city solid waste management plans are required to contain certain elements, including a waste reduction and recycling element, and a recycling contamination reduction and outreach plan. Under state laws addressing the local planning and management of solid waste, a waste management hierarchy is established for the collection, handling, and management of solid waste. This hierarchy prioritizes in descending order: (1) waste reduction; (2) recycling, with source separation of recyclable materials as the preferred method; (3) energy recovery, incineration, or landfill of separated waste; and (4) energy recovery, incineration, or landfill of mixed municipal solid wastes.

The Utilities and Transportation Commission (UTC) regulates private service providers that transport solid waste, garbage, and recyclables from residential sites. The certificate to transport garbage and recyclables sets the geographic areas in which the service provider is authorized to collect waste. Cities and towns have the authority to provide their own solid waste collection services or to contract for solid waste collection services, including collection of source-separated recyclable materials. Counties may contract for the collection of source-separated recyclable materials in unincorporated areas of the county. Solid waste collection services provided or contracted by cities and towns or contracted by counties are not subject to UTC regulation. Materials collected for recycling are transported to material recovery facilities (MRFs) which receive, compact, repackage, or sort materials for the purposes of recycling.

Extended Producer Responsibility and Product Stewardship Programs.

The Legislature has enacted laws that require the establishment of extended producer responsibility (EPR) or product stewardship programs for the management of six types of products: (1) electronic products; (2) light bulbs that contain mercury; (3) photovoltaic solar panels; (4) pharmaceuticals; (5) paint; and (6) batteries.

In general, the state's EPR and product stewardship programs require producers to participate in a stewardship organization or program that is responsible for the collection,

transport, and end-of-life management of products covered by each program. Ecology is responsible for the oversight of the state's EPR and product stewardship programs, with the exception of the Pharmaceutical Stewardship Program, which is overseen by the Department of Health.

Postconsumer Recycled Content Requirements.

In 2021 the Legislature established minimum recycled content requirements applicable to three categories of plastic products or products in plastic containers: trash bags, household and personal care product containers, and plastic beverage containers. Producers subject to minimum postconsumer recycling content (PCRC) requirements were required to register with Ecology and pay fees to cover Ecology's administrative costs related to minimum recycled content standards beginning in 2022.

Summary of Amended Bill:

Producer Participation in a Producer Responsibility Organization.

Producers of paper products and packaging (covered PPP) must participate in a producer responsibility organization (PRO) that is required to develop, implement, and finance a statewide program for covered PPP. The program must encourage redesign to reduce environmental and human health impacts and to reduce generation of covered PPP waste. Only one PRO, other than any individual producers registering as a PRO, may be formed for the first plan implementation period. However, during the first plan implementation period a process is provided to allow the producers of a distinct covered PPP type to petition Ecology to designate the covered PPP as suitable for multiple modes of collection other than commingled residential. The producers of such packaging may propose an alternative collection program for that distinct covered PPP type.

For each covered material, a single specified person—either the material's manufacturer, brand licensee, brand owner, importer of record, distributor of the material in Washington, or another person assigned contractual responsibility as a producer—is defined as the producer responsible for participation in a PRO. Producers do not include government entities, nonprofit organizations, or entities that have de minimis revenue or introduce de minimis volumes of covered PPP.

Packaging is defined to include various materials, including single-use items that facilitate food or beverage consumption. Fifteen categories of materials are exempted from qualifying as covered PPP including packaging for products like medical devices, drugs, hazardous materials, products that are distributed only to commercial or business entities, or that meet specified recycling rates and other criteria. Producers and PROs may also petition Ecology to temporarily exclude certain categories of packaging from being covered PPP.

Significant registration and plan implementation deadlines applicable to producers and PROs include:

- By January 1, 2026, each producer must appoint a PRO.
- By March 1, 2026, a PRO must submit an annual registration to Ecology on behalf of its producers.
- By July 1, 2026, a producer must be a member of a registered PRO.
- By September 1, 2026, a PRO must submit a one-time payment to Ecology to cover all of Ecology's costs through June 30, 2027. By May 1, 2027, a PRO must begin paying annual fees to Ecology to implement, administer, and enforce Ecology's PRO-related duties. The Department of Labor and Industries' (L&I) costs to administer and enforce minimum compensation standards at material recovery facilities must be included in the one-time payment in 2026 and subsequent fees paid to Ecology by a PRO.
- By October 1, 2028, and every five years after, a PRO must submit a plan to Ecology for approval.
- By March 1, 2029, a producer that is not a member of a PRO may not introduce covered materials into Washington, and Ecology must initiate enforcement activities with respect to such producers.
- By January 1, 2030, or within 6 months of plan approval, a PRO must implement an approved plan.
- By July 1, 2031, a PRO must submit an annual report to Ecology.

In implementing the program, PROs must meet a variety of specific obligations to enable Ecology oversight and with respect to the PRO's relationship with its member producers. If more than one PRO is established, a coordinating body and process to prevent redundancy must be established.

An advisory council is established to review all activities by PROs, and to advise Ecology and PRO implementation of their duties, including a number of specific named responsibilities. Ecology must establish the advisory council and appoint 19 advisory council members representing specified interests by January 1, 2026. Ecology must provide administrative and operating support to the council.

Plans and Program Funding.

By October 1, 2028, and every five years afterwards, a PRO must submit a plan to Ecology describing the proposed operation of programs that incorporate the findings and results of needs assessments. A PRO must submit a draft plan or plan amendment to the advisory council for comment at least 60 days prior to submitting the plan to Ecology. Ecology must review draft plans or plan amendments submitted by PROs and must do one of the following:

- approve the plan or amendment;
- approve the plan or amendment with conditions;
- deny the plan or amendment; or
- request additional information on the plan or amendment.

Draft plans and plan amendments must also be posted on Ecology's website for public

comment prior to Ecology approval.

Plans must include 22 specified categories of information, including any categories of information required by Ecology in rule. As a component of their plan, PROs must also submit a contingency plan demonstrating how the activities in the plan will continue to be carried out by another entity, if needed, in the event that the PRO can no longer carry out plan implementation. The PROs must develop and maintain a public website containing specified information. The PROs must also implement education and outreach activities meeting specified standards and outcomes.

A PRO may charge member producers a fee using a method it determines to be equitable, so that the aggregate fees charged to member producers are sufficient to pay the PRO's costs in full until the PRO has a plan approved by Ecology. A PRO with an approved plan must annually collect a fee from each member producer that:

- varies by the amount of the producer's covered PPP;
- reflects program costs for different types of covered PPP;
- discourages the use of covered PPP that are not on an Ecology-adopted statewide list for collection;
- incentivizes the use of materials and designs that reduce environmental and human health impacts of covered PPP; and
- meets other criteria.

Fees collected from members may not be used for lobbying or political advocacy activities that would require reporting to the Public Disclosure Commission or under the Federal Election Campaign Act.

Statewide Lists, Covered Paper Products and Packaging Collection Requirements, and Needs Assessment.

Ecology must develop lists of covered PPP that are determined to be recyclable or compostable statewide. Ecology must complete the initial statewide lists by October 1, 2026, and publish updated lists within 30 days of approval of a PRO's plan, taking into account changes proposed in the PRO's plan. In developing statewide lists, Ecology must distinguish between materials suitable for:

- residential recycling collection;
- residential composting collection;
- public place collection; and
- alternative collection.

Ecology must consult with specified parties, including the advisory council, and consider 13 specified criteria in developing the lists. Ecology may select a third-party consultant to help with statewide list development. A PRO may propose a covered PPP for exclusion or addition to a statewide list.

Materials that are not identified by Ecology as suitable for residential collection may not be

collected as part of a residential recycling program, unless the materials are collected as part of a pilot program of limited duration and geographic scope. Collection services for covered PPP determined to be suitable for residential recycling collection must be available wherever residential garbage collection services are available, except where a county adopts an ordinance specifying that covered PPP on the residential recycling collection list must instead be collected through drop-off collection in areas of the county in which solid waste collection is regulated by the UTC.

PROs must implement an alternative collection program or programs meeting specified criteria for each covered material on the alternative collection list developed by Ecology.

By December 31, 2026, Ecology must complete a preliminary needs assessment that uses the statewide lists developed by Ecology in October 2026, and that considers information from recent recycling-focused assessments and reports carried out by Ecology. The preliminary needs assessment must include 11 types of specified contents, including information related to volumes of introduced and collected covered PPP, and current recycling and composting system infrastructure, capacity, and services provided.

The needs assessment must be updated to include additional information by December 31, 2027, and updated every five years afterwards. The updated needs assessments must include 18 additional types of specified content, including evaluations of existing waste systems, recycling and other waste management outcome rates, and proposed solid waste management outcome rates, collection methods, and infrastructure investments.

Ecology may adjust the content of a needs assessment to inform upcoming PRO plans. Ecology must initiate a consultation process in carrying out needs assessments, and must contract with a third party to conduct needs assessments. Draft needs assessments must be made available for comment, and Ecology must respond in writing to needs assessment comments and recommendations of a PRO or the advisory council.

Service Providers, Material Recovery Facilities, and Infrastructure.

Beginning in January 2026, entities, including government entities, that intend to seek reimbursement for providing services for covered PPP (service providers) must register with Ecology by submitting specified information. The MRFs receiving covered PPP must register with Ecology as service providers and must annually report to Ecology related to the volumes and quality of covered PPP at the MRF and specified aspects of MRF operations.

As applicable, service providers that receive PRO reimbursement under a plan must provide covered services including collection, transfer, transport, processing, recovery, preparing, or other management, for:

- covered PPP included on statewide collection lists adopted by Ecology;
- a refill system; or
- reusable covered PPP.

Service providers must:

- register annually with Ecology;
- submit invoices to the PRO;
- meet performance standards in the PRO's plan;
- ensure that covered PPP are sent to responsible markets that meet specified environmental, health, and other criteria;
- provide documentation to the PRO related to services provided; and
- display the service provider's price, minus PRO reimbursement, when invoicing customers and pass on applicable portions of reimbursements to customers through solid waste rate reductions or credits.

Reimbursements for covered services may only be provided to service providers that meet performance standards established in a PRO plan. Producer responsibility organization plans must provide a methodology for reimbursement rates that consider estimated revenue by service providers from the sale of covered PPP. Reimbursement rates must be annually updated, and must be set based on specified collection, transfer, sorting, and processing costs. Service providers must be reimbursed at least 50 percent of net costs in 2030, at least 75 percent of net costs in 2031, and at least 90 percent of net costs in 2032 and beyond. Service providers retain all revenue from the sale of covered PPP unless otherwise agreed to by the service provider. Service providers may charge a fee for covered services of covered PPP to the extent that PRO reimbursement does not cover all costs of services. A PRO must establish a reimbursement dispute resolution process using third-party mediators.

Government entities are not required to operate as service providers under a plan, but government entities are eligible to be registered service providers that receive reimbursement. The existing authority of counties and cities to provide waste management services to residents or to contract for waste management services is not restricted.

The PROs must use a competitive bidding process and publicly post bid opportunities for infrastructure investments, except that preference must be given to existing facilities and providers of services. With certain exceptions, producers and PROs may not own any portion of infrastructure used to fulfill covered PPP obligations.

Owners or operators of a MRF that annually manages more than 25,000 tons of covered products must ensure workers are paid minimum industry standard compensation, beginning in 2028. The minimum standard compensation is a wage and usual benefits package equal to or greater than the combined hourly wage and usual benefits package set by a collective bargaining agreement covering similar or equivalent work in a county. If there is more than one collective bargaining agreement, the higher rate applies. L&I is to investigate and enforce these wage requirements.

Covered Paper Products and Packaging Performance Targets and Statewide Requirements.

Each PRO must, based on the needs assessment, propose performance targets for reuse rates, return rates, recycling rates for materials delivered to responsible markets, composting rates, and PCRC and plastic source reduction rates. The PRO plans must provide separate methodologies for determining whether each category of target is being met, and Ecology may require that a PRO obtain third-party certification of performance target activities or achievements. Ecology must establish a process for a PRO to propose to count materials sent to facilities that use alternative recycling processes towards recycling rates, and may approve a PRO's proposal based on the evaluation of specified criteria. A PRO that fails to meet a performance target in an approved plan must file an explanation with Ecology within 90 days of the PRO's annual report and propose a plan amendment specifying changes in operations designed to achieve the performance target.

Ecology must establish statewide rate requirements and dates by which those requirements must be met for recycling, composting, reuse, return, plastic source reduction, and PCRC in covered PPP. Statewide rate requirements must be reviewed by Ecology every five years and be updated if warranted. The PROs must ensure the statewide rate requirements are met.

Department of Ecology Administration and Enforcement.

Ecology may adopt rules to implement, administer, and enforce requirements related to PROs and producers. Ecology must follow specified processes for calculating and receiving the fees that PROs must pay to cover Ecology's oversight costs. If requested by Ecology for purposes of determining producer or PRO compliance or for implementing requirements related to producers, PROs, plans, and the program, a person must provide Ecology any information that person has or may reasonably obtain.

Ecology may impose civil penalties of up to \$1,000 per violation per day on a producer or PROs for initial violations and up to \$10,000 per violation per day for subsequent violations. Ecology must provide written notification and offer information to producers out of compliance, providing at least one notice of violation prior to assessing a penalty and providing 60 days for the producer to come into compliance. Ecology may issue corrective action orders, revoke a PRO's plan approval and require implementation of the contingency plan, and take other specified enforcement actions related to a PRO. Upon a request from the advisory council, Ecology must consider the appropriateness of the use of an enforcement authority.

Penalties and orders are appealable to the Pollution Control Hearings Board. Collected penalties must be deposited in the Recycling Enhancement Account, which is used for providing grants to local governments to support local solid waste financial assistance programs.

Local Solid Waste Planning and Solid Waste Collection Company Oversight.

Beginning January 1, 2030, the programs for the collection of source-separated residential materials under local comprehensive solid waste management plans must:

- provide for curbside collection of source-separated recyclable materials from single-family and multifamily residences wherever curbside garbage collection services are provided;
- include covered PPP on the statewide residential recycling collection list adopted by Ecology; and
- include service standards established under PRO plans for curbside collection frequency, container size, and method of collection.

Local comprehensive solid waste management plans may incorporate PRO programs by reference to fulfill source-separated recyclable material collection requirements. Local solid waste comprehensive plans must be amended by January 1, 2030, to align with PRO-related provisions, or else a model comprehensive solid waste plan amendment developed by Ecology will apply in the jurisdiction.

The PROs may periodically provide educational materials promoting household waste reduction and recycling to public and private waste haulers.

The UTC must review PRO reimbursement of service providers and require solid waste collection companies regulated by the UTC to deliver covered PPP only to responsible markets that meet specified environmental, health, and other criteria. The UTC, in its duties providing oversight of solid waste collection company rates, must include costs related to curbside recycling collection performed under a PRO plan in the solid waste collection company's rate base.

Reporting Requirements and Studies.

Beginning in 2031, a PRO must submit an annual report covering the preceding calendar year's plan implementation activities and data. Ecology must review annual reports submitted by a PRO and make them available for public comment. If an annual report does not meet requirements Ecology must notify the PRO of the reasons for denial, and the PRO must then submit a revised annual report.

In consultation with any PROs, Ecology and the Department of Revenue (DOR) must study the impacts of producer requirements on the litter rates of covered PPP, and possible improvements to the structure of the litter tax that do not include increasing the tax rate or expanding the types of covered PPP under the PRO that are subject to the tax. Ecology, in consultation with the DOR, must provide recommendations to the Legislature on the applicability of the litter tax to covered PPP and improvements to the litter tax structure by January 1, 2030.

By January 31, 2032, Ecology must complete a third-party contracted study that evaluates facilities managing covered PPP and at facilities operating in the state receiving covered PPP as recycled feedstock. This study is to include the facilities' working conditions, barriers to solid waste operations ownership by women and minorities, and access by multifamily building residents to solid waste collection infrastructure. Recommended

actions from the study must be considered for inclusion as part of future PRO plans.

By September 1, 2038, Ecology must contract with an independent consultant to analyze the first seven years of program implementation and submit a report to the Legislature.

Other.

Beginning in 2029, each PRO must annually fund and implement a Reuse Financial Assistance Program (Reuse Program) to reduce the negative environmental impacts of covered PPP through reuse. The PROs must collectively fund the Reuse Program at \$5 million in 2029; an amount which is subject to an annual inflation adjustment and to adjustment if the PRO's reuse and return rate targets or statewide requirements go unmet. Public and private entities are eligible recipients of financial assistance under the Reuse Program, and the program must solicit applications using an open and competitive process. Applications must be selected through an evaluation of environmental, human health, social, and economic benefits, cost-effectiveness, and the needs of economically distressed or overburdened communities. A PRO may own infrastructure used for purposes of the Reuse Program.

Certain activities related to producer and PRO responsibilities are exempt from state antitrust laws and provided immunity from federal antitrust laws.

It is declared to be the Legislature's intent that if a bottle deposit return system is enacted in the future, it will be harmonized with PRO-related requirements in specified ways and must include a two-year transition period before the expiration of an approved plan.

Amended Bill Compared to Engrossed Second Substitute Bill:

As compared to the engrossed second substitute bill, the amended bill:

- provides that, in the event that the United States Center for Disease Control and the Agency for Toxic Substances and Disease Registry's social vulnerability index is no longer available in substantially the same form as it existed on January 1, 2025, Ecology and registered PROs must rely on an alternative means of identifying socially vulnerable populations based on the Department of Health's environmental health disparities map or as identified by Ecology by rule;
- requires Ecology to determine by March 1, 2026, rather than July 1, 2026, the one-time payment by PROs to cover Ecology's implementation, administration, and enforcement costs through the end of the 2025-2027 biennium;
- clarifies that the one-time payment owed by PROs by September 1, 2026, to cover Ecology's costs in the first biennium of the program is distinct from the annual registration fee that must be paid beginning May 1, 2027;
- requires PROs to provide producers with information regarding state and federal laws that restrict toxic substances, rather than that prohibit such substances;
- clarifies that advisory council representatives must include representatives that own or operate MRFs or compost facilities, rather than representatives of the facilities

- themselves;
 - shifts the responsibility, from the PRO to Ecology, for posting on its website the names of producers and brands identified as not being in compliance with program requirements;
 - clarifies that a PRO must adopt multiple statewide collection lists, rather than a single list;
 - clarifies that a PRO may propose multiple alternative collection programs for covered materials under its plan;
 - specifies that the needs assessment must address:
 - the materials collected at drop off collection sites, rather than just the capacity and number of such sites;
 - the variability in term length of residential recycling and composting collection contracts, in addition to the average term length; and
 - for plastic covered materials, a measurement of PCRC that could be incorporated into covered materials for rigid plastic resin types and for film or flexible plastic;
 - authorizes Ecology to, by rule, reference an updated financial accounting standard that financial audits in the annual report must meet;
 - requires the 2038 review of the program by an independent consultant to analyze the effects of the program on reuse rates, PCRC rates, and source reduction rates, in addition to analyzing the effects on recycling and composting rates; and
 - makes various clarifications and technical corrections, including by adding cross references and using consistent terminology.
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Appropriation: None.

Fiscal Note: Available.

Effective Date of Amended Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed. However, the bill is null and void unless funded in the budget.

Staff Summary of Public Testimony:

(In support) The proposed changes to recycling in Washington have been under development for many years and incorporate feedback from a wide variety of stakeholders. This proposal is different than the law enacted in California that was recently paused by their Governor, but waste management companies in California did not want the implementation of the California law to be paused. The anticipated cost impacts of this program on the prices of consumer goods are minimal, despite rumors to the contrary. This proposal is based on a recently-negotiated law enacted in Minnesota that incorporates some lessons from the first states that passed EPR laws five years ago. Recycling is currently expensive, and paid for in monthly utility bills. Manufacturers should have ownership of

the impacts of their products throughout those products' life cycles. This proposal will allow the beverage industry to contribute meaningfully to the state's recycling goals. This proposal addresses the key concerns of packaging manufacturers, such as by providing for shared funding responsibility between packaging producers and ratepayers, the flexibility to set performance goals through the plan development process, and the flexible fee structure for charging member producers. This proposal provides the flexibility to improve glass recycling, including allowing for the future establishment of a beverage container return program that will yield high recycling rates. Improving the state's recycling will create jobs, and the jobs created will be higher quality due to the compensation standards established in the bill. Making producers responsible for funding recycling will improve recycling performance outcomes.

(Opposed) California's Governor recently ordered their EPR program implementation to halt while regulations that would impose high consumer costs are rewritten. As other states begin to implement EPR programs for packaging, the costs of the programs and impacts on the affordability of products like groceries are becoming more apparent. Recycling has never been free, and producers will pass on the costs of packaging. A needs assessment must be completed before program implementation proceeds, in order to better know how to improve recycling before committing to a program design. Recycling is currently profitable for solid waste collection companies, but this bill does not recognize the investments that some MRFs have already made in upgrading recycling infrastructure. This bill turns over control of the state's recycling to the producers of packaging. The bill places responsibility on retailers of products in some cases. It will not improve the recyclability of packaging found on the shelves of grocery stores, but will increase the prices of products.

Washington's recycling system currently achieves high recycling performance outcomes.

(Other) This program is modeled off Minnesota's recent law, but does not account for the heavy reliance of Washington counties on solid waste tip fees for revenues. Because reducing the amount of material entering local government landfills will negatively impact revenues to county solid waste programs, the bill should also include a new solid waste collection tax. Protein packaging is heavily regulated under federal law due to health and safety concerns, and should be excluded from EPR program requirements.

Persons Testifying: (In support) Senator Liz Lovelett, prime sponsor; Sydney Harris, Upstream; Caleb Weaver, Ridwell; Cliff Traisman, Washington Conservation Action; Amy Ockerlander, Association of Washington Cities; Zack Zappone, City of Spokane; Allison Kustic, Association of Plastic Recyclers; Dylan de Thomas, The Recycling Partnership; Kelsey Hulse, EPR Leadership Forum; Christoph Mair, Washington State Labor Council, AFL-CIO; Brooke Davies, Washington Beverage Association; Edwin Borbon, AMERIPEN; Peter Lyon, Washington Department of Ecology, Solid Waste Management Program; Rebecca Thomas, Glass Packaging Institute; and Megan Lane, Coalition for High Performance Recycling.

(Opposed) Mark Johnson, Washington Retail Association; Brian Coddington, Sunshine

Disposal and Recycling; Samantha Louderback, Washington Hospitality Association; Wendy Weiker, Republic Services; Katie Beeson, Washington Food Industry Association (WFIA); Ted Carlson, Sanitary Service Company; Brandon Houskeeper, NW Grocery Retail Association; Brad Lovaas, Washington Refuse and Recycling Association; Jay Balasbas, Basin Disposal and Consolidated Disposal Services Inc.; Lyset Cadena, WM (Waste Management); Peter Godlewski, Association of Washington Business; and Rick Vahl, Waste Connections.

(Other) Amber Carter, Coalition for Protein Packaging; Ronald Cotterman; and Travis Dutton, Washington State Association of Counties.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass as amended by Committee on Appropriations and without amendment by Committee on Environment & Energy. Signed by 18 members: Representatives Ormsby, Chair; Gregerson, Vice Chair; Macri, Vice Chair; Berg, Bergquist, Callan, Cortes, Doglio, Fitzgibbon, Lekanoff, Peterson, Pollet, Ryu, Springer, Stonier, Street, Thai and Tharinger.

Minority Report: Do not pass. Signed by 11 members: Representatives Couture, Ranking Minority Member; Connors, Assistant Ranking Minority Member; Penner, Assistant Ranking Minority Member; Schmick, Assistant Ranking Minority Member; Burnett, Corry, Dye, Keaton, Manjarrez, Marshall and Rude.

Minority Report: Without recommendation. Signed by 2 members: Representatives Caldier and Leavitt.

Staff: Dan Jones (786-7118).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Environment & Energy:

The Appropriations committee amendment:

- exempts noncompostable film plastic packaging used in direct contact with raw meat from the covered materials that are the responsibility of producers under a PRO; and
- authorizes a PRO, producer, or group of producers to submit a petition to Ecology for the temporary exclusion of packaging for raw meat products that are demonstrated to transfer pathogens to direct contact packaging from being covered materials that are the responsibility of producers under a PRO.

Appropriation: None.

Fiscal Note: Available. New fiscal note requested on April 1, 2025.

Effective Date of Amended Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed. However, the bill is null and void unless funded in the budget.

Staff Summary of Public Testimony:

(In support) The bill shifts costs to producers. There is a financial incentive for producers to use more sustainable materials. The bill would reduce the amount of material that goes to landfills. The bill provides structural and financial support to the recycling system in Washington. Cities support this policy. Residential utility bills are going up, and this bill would turn that around. The bill is budget neutral. Studies have shown that extended producer responsibility (EPR) programs do not increase prices. Cities would save money. More plastics would be recycled. The bill has been compared unfavorably to a California law, but the California law is too different to compare. The bill would help grow recycling businesses. The bill would improve environmental outcomes and increase residential recycling services across the state. There was a lot of stakeholder involvement in the bill's development.

(Opposed) The bill would have high costs for producers. Many things are undefined in the bill. Too much is determined by rule. The bill would increase costs, and those costs would be passed on. A needs assessment should be done first. The recycling system would become more complicated and expensive with uncertain benefits. The bill effectively makes consumers pay for recycling twice. Recycling is currently affordable, but EPR would make recycling more expensive. EPR has not been implemented in other states. An infrastructure analysis is needed instead. The bill is a hidden sales tax on groceries. Other states have estimated high costs for similar programs. There are costs for small businesses.

(Other) The definition of "producer" has been changed in the bill, and should be changed back to the original definition.

Persons Testifying: (In support) Amy Ockerlander, Association of Washington Cities; Nora Nickum, Seattle Aquarium; Kelsey Hulse, EPR Leadership Forum; Brad Boswell, Washington Beverage Association; Allison Kustic, The Association of Plastic Recyclers (APR); and Edwin Borbon, AMERIPEN.

(Opposed) Wendy Weiker, Republic Services; Katie Beeson, Washington Food Industry Association (WFIA); Peter Godlewski, Association of Washington Business; Holly Chisa, Consumer Brands Association; Samantha Louderback, Washington Hospitality Association; Vicki Christophersen, Washington Refuse and Recycling Association; Jay Balasbas, Sunshine Disposal and Recycling, Basin Disposal, Consolidated Disposal Services Inc.; Lyset Cadena, WM; Jennifer Ziegler, Sanitary Service Company; and Rick Vahl, Waste Connections.

(Other) Mark Johnson, Washington Retail Association.

Persons Signed In To Testify But Not Testifying: None.