

SENATE BILL REPORT

2SSB 5591

AS PASSED SENATE, MARCH 18, 1991

Brief Description: Adopting comprehensive recycling programs.

SPONSORS: Senate Committee on Ways & Means (originally sponsored by Senators Metcalf, Amondson, A. Smith and Roach).

SENATE COMMITTEE ON ENVIRONMENT & NATURAL RESOURCES

Majority Report: That Substitute Senate Bill No. 5591 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Metcalf, Chairman; Oke, Vice Chairman; Amondson, Barr, Conner, Snyder, and Sutherland.

Staff: Gary Wilburn (786-7453)

Hearing Dates: February 13, 1991; February 28, 1991

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Second Substitute Senate Bill No. 5591 be substituted therefor, and the second substitute bill do pass.

Signed by Senators McDonald, Chairman; Craswell, Vice Chairman; Bauer, Bluechel, Cantu, Hayner, L. Kreidler, Metcalf, Murray, Niemi, Talmadge, West, Williams, and Wojahn.

Staff: Mary Poole (786-7715)

Hearing Dates: March 7, 1991; March 11, 1991

HOUSE COMMITTEE ON ENVIRONMENTAL AFFAIRS

HOUSE COMMITTEE ON REVENUE

BACKGROUND:

The 1989 Legislature enacted comprehensive recycling legislation to increase recycling collection programs throughout Washington (Chapter 431, Laws of 1989), and established a goal of recycling 50 percent of Washington's waste by 1995. Recognizing that such increased collection of recyclables might further adversely affect the market for recycled content products, the Legislature designated the Department of Trade and Economic Development (DTED) as the lead state agency for recycling markets development. It charged DTED with several tasks, including developing new markets within the state for recycled materials, attracting recycling businesses to the state, promoting use of recycled content products, and providing technical assistance to businesses.

The legislation also directed DTED to form the Washington Committee for Recycling Markets for the purpose of making recommendations for new market development, with a priority to be placed upon yard waste, plastics, mixed waste paper and waste tires. The committee's final report noted that Washington recovery of recycled materials is projected to be 4.6 million tons annually by the year 2010, an increase of 3 million tons over the 1988 recovery rate. The committee found that in addition to the surge in supply, much of the material recovered will consist of lower value, heavily contaminated grades of recyclables, further affecting efforts to find stable markets.

The committee further found that markets for recycled materials and resulting products depends upon an increased demand from processors, manufacturers and consumers. Factors affecting industry decisions to use such materials as feedstock include collection, processing and material costs, equipment, supply availability, and performance of the resulting products.

The committee's major recommendations included the creation of a center within DTED to "provide a catalyst, uniting government, industry and public participants in a visible and substantially coordinated effort for the singular purpose of developing markets for recycled materials." The center would provide market research and development; business assistance; information and education; and manage public policy issues related to market development. The center should place primary emphasis upon materials with substantial problems in recycling and markets.

Other recommendations of the committee included: (1) negotiating voluntary agreements with industry to increase recycled content and recyclability of products; (2) undertaking a "buy recycled" outreach effort; (3) implementing an aggressive government procurement policy for recycled products; and supporting recycled product purchases with an effective price preference.

The 1989 Legislature also directed the Department of Ecology to establish a packaging task force to recommend methods to reduce the toxicity of packaging entering the waste stream, reduce the reliance on single use, disposable packaging, and increase packaging recycling. While a consensus of the task force was not reached on all issues, general support was expressed for measures including reduction of heavy metal content in packaging, conducting a public education program, and coding of rigid plastic containers to facilitate source separation and recycling.

SUMMARY:

Center for Recycling Markets Development. The Center for Recycling Markets Development is created within the Department of Trade and Economic Development. The center is to perform specified duties including providing targeted business assistance to recycling processors and manufacturers,

conducting market research, assisting with access to financing, negotiating voluntary agreements with manufacturers to increase recycled content in products, conducting a comprehensive education program to promote recycled products, and promoting projects to demonstrate new market uses for recycled products.

The center is to place a high priority upon commodities comprising a large part of the waste stream, and specific commodities are listed. The center is to solicit private contributions to support its activities. It is to form an advisory committee with private and public sector representatives, including members involved with the commodities chosen for high priority activities. The center and the Department of Ecology are to conduct a comprehensive packaging education program aimed to achieve voluntary changes in consumer, retailer, distributor and manufacturer behavior. The center sunsets on June 30, 1996.

Product Packaging. Within two years no product or package may be sold in the state containing heavy metals which are intentionally introduced in the packaging. Progressively more stringent numeric concentration limits over the next four years are established for specified heavy metals. Exemptions are provided for previously manufactured products, for clearing inventory, and other circumstances. The manufacturer is to certify compliance with such requirements, and the sale of a product may be suspended in the absence of such certification.

The school recycling awards program is expanded.

Plastics. Rigid plastic containers sold within the state after 1991 are to include a label identifying the resin type used to produce the container. The symbol is described and the code numbers specified for the resin types. Civil penalties up to \$500 may be imposed for selling such containers after notice that the container does not comply with the coding requirement.

The bill is contingent on funding in the budget.

Appropriation: none

Revenue: none

Fiscal Note: available

TESTIMONY FOR (Environment & Natural Resources):

Providing state technical assistance to recycling businesses is key to ensuring that recyclable commodities collected will be remanufactured for resale as a recycled content product.

TESTIMONY AGAINST (Environment & Natural Resources):

Proposed funding sources are not sufficiently related to the source of the solid waste management problem. Preemption of local government packaging bans should be made permanent.

TESTIFIED (Environment & Natural Resources): Joe Bushnell, Tacoma Recycling (pro); Jerry Graham, King County Commission for Marketing Recyclables (pro); Greg Wright, Joe Tanner, John Rissell, Jerry Bernstien, Allen Bluhar, WA State Recycling Assn.; Ray Hoffman, City of Seattle Solid Waste; Kathy Gill, NWPPA; Kris Backes, AWB; David Doherty, DTED; Bill Fritz, WA Food Processors, Reynolds Metals Council, Anheuser-Busch; Bill Alkire, Dept. of Ecology; Jan Glick, WA Citizens for Recycling; Bruce Wishart, Sierra Club; Kathleen Collins, AWC; Mike Todd, WCFR; J.P. Jones, WA Waste Management Assn.; Jan Gee, WA Retail Assn.; Paul Parker, WA State Assn. of Counties; Randy Boch, Scott Paper

TESTIMONY FOR (Ways & Means): None

TESTIMONY AGAINST (Ways & Means): None

TESTIFIED (Ways & Means): No one

HOUSE AMENDMENT(S):

It is clarified that the purposes of state recycling and litter control laws include fostering markets for recyclable materials. Heavy metal limits in packaging are clarified to apply only to intentional introduction in the packaging.

A task force composed of legislative members and public and private sector representatives is to study funding mechanisms for the Clean Washington Center and long-term recycling issues, and recommend legislation by December 1, 1991. The center's work is to be conducted with the assistance of a policy board, including members of the Legislature, private sector, and local government. The center's sunset date is extended from 1996 to 1997.

Provisions are added regarding local government recycling plans and goals for used oil collection and posting of signs regarding proper used oil recycling. Regulatory standards for used oil are adopted, as well as requirements for the transport of used oil for profit. Used oil to be rerefined or burned for energy recovery is not included under the planning requirements of the 1990 hazardous waste minimization legislation.

The provision in the Senate bill governing treatment of refundable deposits for recycling purposes under the business and occupation tax is deleted. Provisions are added for local solid waste advisory committees to hold meetings to determine how private recycling and solid waste collection businesses may conduct programs for residential recyclables collection. Provisions for the use of local recycling businesses by solid waste collection companies are included, as well as provisions

for reduced garbage collection rates for residents participating in alternative recycling programs. Diverting recyclable material to personal use without the generator's consent is prohibited.