

HOUSE BILL REPORT

HB 2662

As Reported By House Committee On:
Revenue

Title: An act relating to hazardous waste fees.

Brief Description: Modifying hazardous waste fees.

Sponsors: Representatives Holm, Foreman, G. Fisher, Dunshee, Patterson, Dorn, Lemmon, Basich, Ogden, Jones, Finkbeiner, Moak, Kremen, Springer, Roland, King, Cothorn, Morris, J. Kohl and L. Johnson; by request of Department of Revenue.

Brief History:

Reported by House Committee on:
Revenue, January 28, 1994, DPS.

HOUSE COMMITTEE ON REVENUE

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 16 members: Representatives G. Fisher, Chair; Holm, Vice Chair; Foreman, Ranking Minority Member; Fuhrman, Assistant Ranking Minority Member; Anderson; Brown; Caver; Cothorn; Leonard; Romero; Rust; Silver; Talcott; Thibaudeau; Van Luven; and Wang.

Staff: Bob Longman (786-7139).

Background: A hazardous waste education fee of \$35 is assessed on known and potential generators of hazardous wastes. Failure to pay the fee results in a penalty of three times the amount of the unpaid fee for a total potential liability of \$140. The Department of Revenue collects the fee.

Late payment of excise taxes to the Department of Revenue results in penalties of 5 percent if paid after the due date, 10 percent if 30 days late and 20 percent if 60 days late.

Summary of Substitute Bill: The bill suspends collection of the hazardous waste education fee from potential generators of hazardous wastes for one year (1994). The penalty of three times the amount of the unpaid fee is replaced with the lower penalties used for excise taxes collected by the Department of Revenue.

Substitute Bill Compared to Original Bill: The original bill suspended the fee for both potential and known generators of hazardous waste. The substitute bill retains the fee for known generators of hazardous wastes.

Fiscal Note: Requested January 21, 1994.

Effective Date of Substitute Bill: Ninety days after adjournment of session in which bill is passed.

Testimony For: (Original Bill) Since the creation of the education fee in 1990, collection and administration of the education fee has been difficult for the Department of Revenue and Department of Ecology. The fee has been extremely confusing and frustrating to the "potential" fee payers. Many of the fee payers do not consider themselves generators or potential generators of hazardous wastes, and therefore object to paying the fee. The triple penalty is too high given that delinquent fee payers were not sure they needed to pay the fee. Attempts to collect delinquent fees have only resulted in anger and frustration from the fee payers and inquiries from legislators.

(Substitute Bill): Initially it appeared that fee revenue from 1994 would not be needed to maintain the current program activities. Subsequent analysis shows that some fee revenue in 1994 is necessary to fund the program.

Testimony Against: None.

Witnesses: Ryan Spiller, Department of Revenue; and Tom Eaton, Department of Ecology.