

# HOUSE BILL REPORT

## HB 2939

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### As Reported By House Committee On:

Agriculture & Ecology

**Title:** An act relating to recycling and waste reduction.

**Brief Description:** Providing guidelines for recycling and waste reduction.

**Sponsors:** Representatives Linville and G. Chandler.

### Brief History:

#### Committee Activity:

Agriculture & Ecology: 2/3/00, 2/4/00 [DPS].

<h3>Brief Summary of Substitute Bill</h3>
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| <ul style="list-style-type: none"><li>· Provides incentives for increased recycling.</li></ul> |
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## HOUSE COMMITTEE ON AGRICULTURE & ECOLOGY

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 14 members: Representatives G. Chandler, Republican Co-Chair; Linville, Democratic Co-Chair; Cooper, Democratic Vice Chair; Koster, Republican Vice Chair; Anderson; B. Chandler; Delvin; Fortunato; Grant; Reardon; Schoesler; Stensen; Sump and Wood.

**Staff:** Carole Richmond (786-7114).

### Background:

The Legislature adopted the Waste Not Washington Act in 1989 (ESHB 1671). The top priorities in the act were established as waste reduction and recycling of source-separated materials. The law also set a goal of recycling 50 percent of the municipal solid waste stream by 1995. The recycling rate reached a high of 39 percent in 1996, but dropped down to 32.4 percent the following year.

The Recycling Assessment Panel was convened by the Department of Ecology in September 1999 to assess the reasons for the drop in recycling, and to examine and

recommend ways to increase recycling. The panel included members of the Legislature, citizens, and representatives of local government, recyclers, and the Department of Ecology. The panel provided a set of recommendations in December 1999.

One of the recommendations involves allowing solid waste collection companies to retain a percentage of the revenue they receive from the sale of recyclable materials to encourage growth in that market. At present, companies are required by the Utilities and Transportation Commission to return all of the revenue back to their customers.

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**Summary of Substitute Bill:**

The Utilities and Transportation Commission is directed to allow solid waste collection companies to retain 30 percent of the revenue they receive from the sale of recyclable materials, if the companies have submitted a plan to the commission that demonstrates how recycling will be increased. The remaining 70 percent is to be passed on to residential customers.

By December, 2003 the commission is directed to provide a report to the Legislature that evaluates: (1) the effectiveness of revenue sharing to increase recycling in the state; and (2) the effect of revenue sharing on costs to customers.

The deadline for achieving the state's goal of a 50 percent recycling rate is changed from 1995 to 2005.

In addition to the elements that city and county solid waste management plans must already include, the plans must also consider residential rate structures that provide economic incentives for customers to reduce their level of solid waste collection and increase recycling.

Starting in 2002, the Department of Ecology is required to evaluate the amount of construction, demolition, and land clearing waste, manure, and major food processing waste that are included in the solid waste stream.

The Department of General Administration is required to develop goals for state use of recycled and environmentally preferred products.

By July 1, 2001, the Department of General Administration must adopt product standards for strawboard.

**Substitute Bill Compared to Original Bill:** Solid waste collection companies may retain 30 percent of the revenues paid to the companies for recycled materials, instead

of "up to" 30 percent. Solid waste collection companies are not required to demonstrate how revenues will be used to increase recycling, but simply to demonstrate how recycling will increase.

The development of residential collection rate structures that provide economic incentives for customers to increase recycling is changed from a requirement to establish the rates in solid waste management plans to a requirement to consider the rate structures.

Biosolids are not among the solid waste stream components that the Department of Ecology must evaluate.

The Department of General Administration is required to develop goals for state use of recycled and environmentally-preferred products.

The department is also required to develop standards for strawboard.

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**Appropriation:** None.

**Fiscal Note:** Not requested.

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

**Testimony For:** This bill is a good first step in advancing recommendations. It's important to establish market-based incentives; both residential rate structures that increase recycling and incentives for solid waste collection companies are important. The choice of rate structure should be voluntary. It's important to maintain the connection between retention of revenues and plan requirement. Each customer will pay an additional \$5.00 a year under the new policy of revenue retention. Rate incentives for customers should be codified in solid waste management plans.

**Testimony Against:** None.

**Testified:** Janet Nazy, Washington State Recycling Association; Don Kneas, NAPCOR; Bill Reed, King County Solid Waste; Lois Young, Skagit River Steel and Recycling; James Sells, Washington Refuse and Recycling Association; Cullen Stephenson, Department of Ecology; Jeff Kelley-Clarke, State SWAC; Eugene Eckhardt, WUTC; Jenny Bagby, Seattle Public Utility; and Ren Rosenblum, Association of Washington Businesses.