

HOUSE BILL REPORT

SHB 2939

As Amended by the Senate

Title: An act relating to recycling and waste reduction.

Brief Description: Providing guidelines for recycling and waste reduction.

Sponsors: By House Committee on Agriculture & Ecology (originally sponsored by Representatives Linville and G. Chandler).

Brief History:

Committee Activity:

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

Floor Activity:

Passed House: 2/10/00, 95-0.

Senate Amended.

Passed Senate: 3/3/00, 47-0.

<p>Brief Summary of Substitute Bill</p> <ul style="list-style-type: none">· Provides incentives for increased recycling.

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.

Summary of 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.

EFFECT OF SENATE AMENDMENT(S): Recycled content standards for products and materials apply to secondary education institutions, as well as state agencies. To qualify to receive a portion of the revenues from the sale of recycled materials, solid waste collectors must submit a plan to the Utilities and Transportation Commission that has been certified by the appropriate local governments as being consistent with the local solid waste plan and that specifies the per capita recycling base for 1999. Customers must receive 100 percent of the revenues from the sale of recycled materials in any amount up to this base. Customers must receive 60 percent of the revenues from the sale of recycled materials in any amount over this base. The commission's report on the effect of this incentive is due on December 2, 2004, instead of 2003, and the section terminates in 2005, instead of 2006. The intent section for chapter 70.95 changes "must be the responsibility" to "should be the goal." Product stewardship is encouraged and defined as a principle that directs all actors in the life cycle of a product to minimize the environmental impacts of that product. Strategies to eliminate yard debris must be included in comprehensive solid waste plans. By March 1 of every year, entities that collect recycled material must report their activity from the previous year to the department. Penalties are provided for failure to file a report on recycled materials collection of \$100 per day up to a total of not more than \$1000. The Department of Ecology is prohibited from adopting rules that mandate best management practices for certain categories of solid waste required to be evaluated by the department.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: 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.