

HOUSE BILL REPORT

HB 2670

As Reported By House Committee On:

Agriculture & Ecology

Title: An act relating to financial assurance requirements for landfill disposal facilities.

Brief Description: Authorizing the department of ecology to waive the requirement for a reserve account for local governments maintaining landfills.

Sponsors: Representatives Delvin, Linville, G. Chandler and Hankins.

Brief History:

Committee Activity:

Agriculture & Ecology: 1/28/00, 2/1/00 [DPS].

Brief Summary of Substitute Bill

- Landfill disposal facilities may use alternative forms of financial assurance to ensure funding is available to cover costs of closing the facility.

HOUSE COMMITTEE ON AGRICULTURE & ECOLOGY

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 13 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 and Wood.

Staff: Bill Lynch (786-7092).

Background:

State law requires the holder or an applicant of a permit for a landfill disposal facility to establish a reserve account to cover the costs of closing the facility in accordance with state and federal law. Post-closure care of a landfill is generally required for a period of thirty years, but this length of time may be increased or decreased by the jurisdictional health department under certain conditions. The reserve account must

be designed to ensure that there will be adequate revenue available by the projected date of closure.

A landfill disposal facility maintained on private property for the sole use of the entity owning the site, however, is not required to establish a reserve account if the entity provides another form of financial assurance to the satisfaction of the Department of Ecology that is adequate to comply with the closure requirements. An irrevocable letter of credit is an example of another form of financial assurance.

Summary of Substitute Bill:

A landfill disposal facility is not required to establish a reserve account to cover the costs of closing a facility if, to the satisfaction of the Department of Ecology, the permit holder or applicant provides another form of financial assurance adequate to comply with the closure requirements. The department is not required to adopt rules pertaining to other approved forms of financial assurance.

Substitute Bill Compared to Original Bill: Language is rewritten to clarify that any landfill disposal facility may use alternative forms of financial assurance. The Department of Ecology is not required to adopt rules on these financial assurances.

Appropriation: None.

Fiscal Note: Requested.

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

Testimony For: This will provide needed flexibility. Money will be available if it is needed without having to accumulate reserves.

(Comments) The bill should be expanded to include landfills and federal property.

Testimony Against: None

Testified: (In support) David Arbaugh, City of Richland; Jerry Greenfield, Richland City Council; and Dan Underwood, City of Richland, Finance Officer.

(Neutral) Laurie Davies, Department of Ecology.