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SUBSTITUTE HOUSE BILL 3041

State of Washington 56th Legislature 2000 Regular Session

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

Read first time 02/04/2000. Referred to Committee on .

- AN ACT Relating to clarifying state agency responsibility for cleaning up contaminated sediments; amending RCW 79.90.465; adding new sections to chapter 79.90 RCW; creating a new section; and providing expiration dates.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

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- 6 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 79.90 RCW 7 to read as follows:
- legislature finds that contaminated sediments 8 (1)The widespread in Puget Sound. As of the effective date of this act, at 9 10 least sixty sites have been identified as needing remedial action under the comprehensive environmental response, compensation, and liability 11 act of 1980 (42 U.S.C. Sec. 9601 et seq.) and the model toxics control 12 13 act, chapter 70.105D RCW. Many of the sites needing remedial action 14 are located on state-owned aquatic lands. The purpose of this act is 15 to clarify the responsibilities of the department of natural resources and the department of ecology with respect to the cleanup of 16 17 contaminated sediments on state-owned aquatic lands and the possibility 18 of using state-owned aquatic lands as part of appropriate sediment

remedial actions consistent with existing state and federal laws.

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The legislature finds that the purpose of cleaning up 1 contaminated sediments is to isolate contaminants from living organisms 2 in the marine environment. As such, cleanup is beneficial to the 3 4 citizens of the state of Washington. Conversely, delay of cleanup is harmful for biological resources, as well as for port districts and 5 local communities that depend on a revitalized waterfront. Attempts to 6 7 clean up contaminated sediments have resulted in interagency debates 8 about whether it is permissible to use state-owned aquatic lands for 9 sediment remedial actions. Processes to resolve this issue, including a pilot bay-wide planning project and meetings of agency directors, 10 have kept the parties out of court but have not successfully resolved 11 the fundamental issues. These issues have been defined as concern over 12 13 the toxicity of the sediments, the permanence of contaminated sediment 14 remediation on state-owned aquatic lands, and determination of the true 15 and complete costs of sediment remedial actions that use state-owned 16 aquatic lands. These are challenging issues. Yet, the legislature 17 believes enough time has passed without resolving these issues and without remediating contaminated sediments, that it must now assume 18 19 responsibility for defining state policy on the use of state-owned 20 aquatic lands for contaminated sediment remediation, and for addressing the other unresolved issues related to toxicity and costs of cleanup. 21 22 (3) The legislature also believes that the current system for 23 addressing liability and for allocating cleanup costs established under 24 the state and federal cleanup statutes is not an appropriate one for 25 resolving interagency disputes within state government. legislature defines the responsibilities of state agencies and must, 26 27 when necessary, examine those responsibilities to resolve conflicting mandates and to better meet the needs of the state. 28 Through the 29 joint select committee on contaminated sediment creation of a 30 management and liability, the legislature intends to address these 31 responsibilities and related issues, including, but not limited to: The appropriateness of using state-owned aquatic lands for remediation 32 of contaminated sediments; the liability for any remedial action on 33 34 state-owned aquatic lands; the distribution of responsibility for 35 prospective liability among the parties expecting to use state-owned lands for remediation; the availability of treatment 36 aquatic 37 alternatives for contaminated sediments; the management of, and fair market value for, any disposal sites on state lands; as well as the 38 39 resolution of the state's liability for causing or contributing to the

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creation of contaminated sediments. In doing so, the legislature does not intend to impede ongoing remedial actions.

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- 3 (4) The legislature finds that it is in the state's interest to 4 undertake a program of bay-wide planning where appropriate to provide opportunities for examining the feasibility of sediment removal or 5 consolidating most or all of the contaminated sediments in an urban 6 7 embayment in limited appropriate locations within that embayment or 8 within other more environmentally appropriate locations in Puget Sound. 9 The legislature also finds that bay-wide planning should address needs 10 for salmon recovery, public access to state-owned aquatic lands, and economic development. 11
- 12 **Sec. 2.** RCW 79.90.465 and 1984 c 221 s 4 are each amended to read 13 as follows:
- The definitions in this section apply throughout chapters 79.90 through 79.96 RCW.
- (1) "Water-dependent use" means a use which cannot logically exist in any location but on the water. Examples include, but are not limited to, water-borne commerce; terminal and transfer facilities; ferry terminals; watercraft sales in conjunction with other water-dependent uses; watercraft construction, repair, and maintenance; moorage and launching facilities; aquaculture; log booming; habitat mitigation and restoration; and public fishing piers and parks.
 - (2) "Water-oriented use" means a use which historically has been dependent on a waterfront location, but with existing technology could be located away from the waterfront. Examples include, but are not limited to, wood products manufacturing, watercraft sales, fish processing, petroleum refining, sand and gravel processing, log storage, and house boats. For the purposes of determining rent under this chapter, water-oriented uses shall be classified as waterdependent uses if the activity either is conducted on state-owned aquatic lands leased on October 1, 1984, or was actually conducted on the state-owned aquatic lands for at least three years before October 1, 1984. If, after October 1, 1984, the activity is changed to a use other than a water-dependent use, the activity shall be classified as a nonwater-dependent use. If continuation of the existing use requires leasing additional state-owned aquatic lands and is permitted under the shoreline management act of 1971, chapter 90.58 RCW, the department may allow reasonable expansion of the water-oriented use.

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- 1 (3) "Nonwater-dependent use" means a use which can operate in a
 2 location other than on the waterfront. Examples include, but are not
 3 limited to, hotels, condominiums, apartments, restaurants, retail
 4 stores, ((and)) warehouses not part of a marine terminal or transfer
 5 facility, and disposal of contaminated sediments on state-owned aquatic
 6 lands except if such disposal is also used to remediate preexisting on7 site sediment contamination.
- 8 (4) "Log storage" means the water storage of logs in rafts or 9 otherwise prepared for shipment in water-borne commerce, but does not 10 include the temporary holding of logs to be taken directly into a 11 vessel or processing facility.
- 12 (5) "Log booming" means placing logs into and taking them out of 13 the water, assembling and disassembling log rafts before or after their 14 movement in water-borne commerce, related handling and sorting 15 activities taking place in the water, and the temporary holding of logs 16 to be taken directly into a processing facility. "Log booming" does 17 not include the temporary holding of logs to be taken directly into a 18 vessel.
 - (6) "Department" means the department of natural resources.
- 20 (7) "Port district" means a port district created under Title 53 21 RCW.
- 22 (8) The "real rate of return" means the average for the most recent 23 ten calendar years of the average rate of return on conventional real 24 property mortgages as reported by the federal home loan bank board or 25 any successor agency, minus the average inflation rate for the most 26 recent ten calendar years.
- 27 (9) The "inflation rate" for a given year is the percentage rate of 28 change in the previous calendar year's all commodity producer price 29 index of the bureau of labor statistics of the United States department 30 of commerce. If the index ceases to be published, the department shall 31 designate by rule a comparable substitute index.
- (10) "Public utility lines" means pipes, conduits, and similar facilities for distribution of water, electricity, natural gas, telephone, other electronic communication, and sewers, including sewer outfall lines.
- 36 (11) "Terminal" means a point of interchange between land and water 37 carriers, such as a pier, wharf, or group of such, equipped with 38 facilities for care and handling of cargo and/or passengers.

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- (12) "State-owned aquatic lands" means those aquatic lands and waterways administered by the department of natural resources or managed under RCW 79.90.475 by a port district. "State-owned aquatic lands" does not include aquatic lands owned in fee by, or withdrawn for the use of, state agencies other than the department of natural resources.
- 7 (13) "Bay-wide plan" means a multijurisdictional plan developed for 8 the aquatic lands of the state that includes the following elements:
- 9 (a) Cleanup of contaminated sediments;

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- 10 (b) Restoration of estuary and salmon migration habitat;
- 11 <u>(c) The highest achievable control of ongoing sources of point and</u>
 12 nonpoint sources of pollutants to marine waters; and
- (d) Identification of existing and projected aquatic land uses, including development of public access to the waterfront. Any such plan shall be integrated with comprehensive plans under the growth management act, chapter 36.70A RCW; local master programs under the shoreline management act, chapter 90.58 RCW; and watershed plans under chapter 90.82 RCW.
- 19 <u>(14) "In-water disposal" means one of three methods for remediating</u>
 20 <u>contaminated sediments:</u>
 - (a) Confined aquatic disposal is the dredging and disposal of contaminated sediments in natural or excavated bottom depressions or behind berms to minimize the spread of materials on the bottom. A variation of this method is the dredging and disposal of contaminated material in a mound on an existing flat or gently sloping surface. Both methods require capping of the dredged material with clean sediments.
- (b) Nearshore confined disposal is the dredging and disposal of contaminated sediments at a site constructed partially or completely in water adjacent to shore, where the dredged material is contained by a dike or berm and capped with clean sediment.
- 32 <u>(c) Containment of contaminated sediments by covering or capping</u>
 33 <u>them with clean sediments of a sufficient thickness to isolate the</u>
 34 contaminants from the environment.
- NEW SECTION. Sec. 3. A new section is added to chapter 79.90 RCW to read as follows:
- For remedial actions initiated under state and federal cleanup authorities after the effective date of this act, the department shall

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1 allow the use of state-owned aquatic lands for the cleanup of 2 contaminated sediments, or as mitigation for the impacts of cleanup or 3 disposal actions on aquatic habitat, when all of the following apply:

- (1) A bay-wide plan has been completed as provided in section 4 of this act, and such plan identifies in-water disposal on state-owned aquatic lands as the preferred option available among a reasonable range of remedial actions. The plan shall clearly identify the most environmentally protective remedial option regardless of cost, and shall provide sufficient rationale and documentation in the plan to support this finding. The plan shall also identify the most cost-effective remedial option, and shall provide sufficient rationale and documentation in the plan to support this finding. Any balancing of these two factors done in developing the preferred option shall also be clearly described.
- (2) The area to be used for disposal or mitigation is itself a site needing remediation under state and federal cleanup statutes, or the area to be used for disposal is a multiuser disposal site developed for the purpose of accepting large volumes of contaminated sediments from multiple sites in Puget Sound.
- 20 (3) Financial assurances have been established to receive funds to 21 address in perpetuity any and all risks to the state from the 22 contingencies identified in the plan under subsection (1) of this 23 section.
 - (4) The state is indemnified from future liability to the fullest extent allowed by law for contaminated sediments disposed of on state-owned aquatic land that are not attached to the original liability of the state as established in a consent decree under state or federal cleanup authorities, except for sediments for which no responsible person has been identified in the consent decree.
- 30 (5) Constitutionally protected uses of harbor areas for commerce 31 and navigation are not impaired.
- 32 (6) Bay-wide plans shall include the elements defined in RCW 79.90.465(13) and shall be initiated in urban embayments or in smaller 34 bays and inlets where remedial actions for contaminated sediment sites 35 identified under state or federal clean-up authorities have not been 36 initiated as of the effective date of this act.
- (7) A bay-wide planning group for an urban embayment shall include the following representation: The department of ecology, the department of fish and wildlife, the department of natural resources,

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the department of transportation, the Puget Sound water quality action 1 team, the local port district, the nearest city, and the county in 2 which the embayment is located. In addition, affected tribes shall 3 4 each be invited to provide a representative, and the United States army 5 corps of engineers, environmental protection agency, fish and wildlife service, and national marine fisheries service also shall each be 6 7 invited to provide a representative. Each member shall have an equal voice in the planning process and the group shall operate by consensus. 8 9 If consensus on planning outcomes is not achievable, state agencies 10 shall resolve the issues needing resolution through the process identified in RCW 43.17.320 through 43.17.340. The planning process 11 12 shall be managed by a committee comprised of the representatives of the 13 department of ecology, the department of natural resources, and the local port district. 14

- 15 (8) The bay-wide planning process includes timely and meaningful 16 opportunity for public involvement, including public meetings and a 17 citizen advisory panel.
- 18 (9) Funding for plan development shall be from the local toxics 19 control account established in RCW 70.105D.070.
- 20 (10) This section expires June 30, 2002.

<u>NEW SECTION.</u> **Sec. 4.** (1) A joint select committee on contaminated 21 22 sediment management and liability is established. The committee shall 23 include two representatives from each of the two major caucuses in the 24 appointed by the president of the senate, 25 representatives from each of the two major caucuses in the house of representatives appointed by the co-speakers of the house of 26 27 representatives. The committee shall also include a representative from each of the following: The attorney general's office, the 28 29 governor's office, the department of ecology, the department of natural resources, the department of transportation, the department of fish and 30 wildlife, and the Puget Sound action team. 31

- 32 (2) The purpose of the joint select committee on contaminated 33 sediment management and liability is to address the following issues:
- 34 (a) The appropriateness of using state-owned aquatic land for the 35 remediation of contaminated sediments;
- 36 (b) The availability and feasibility of treatment for contaminated 37 sediments;

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- 1 (c) The financial risk to the state associated with disposal of 2 contaminated sediments and how much funding should be available in a 3 contingency fund to offset this risk;
- 4 (d) How contaminated sediment disposal sites on state-owned aquatic 5 land should be managed;
- 6 (e) How the state's share of liability for contaminated sediments 7 should be determined;
- 8 (f) The fair market return to the state for the use of state-owned 9 aquatic land for disposal of contaminated sediment, when such disposal 10 occurs on already contaminated land;
- 11 (g) The sources of funding and financial mechanisms that are 12 available to fund the state's share of cleanup, the management of 13 sediment remediation sites, and contingency funding.
- 14 (3) Staff support for the joint select committee on contaminated 15 sediment management and liability shall be provided by the office of 16 program research and senate committee services.
- 17 (4) The committee shall provide a final report to the standing 18 environment committees of the house of representatives and the senate 19 by December 1, 2001. The committee shall provide an interim progress 20 report to the committees by December 1, 2000.
- 21 (5) This section expires June 30, 2002.

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