H-3966.7				

## HOUSE BILL 3041

\_\_\_\_

State of Washington 56th Legislature 2000 Regular Session

By Representatives Linville and G. Chandler

Read first time 01/26/2000. Referred to Committee on Agriculture & Ecology.

- AN ACT Relating to clarifying state agency responsibility for cleaning up contaminated sediments; amending RCW 79.90.465; adding new
- 3 sections to chapter 79.90 RCW; creating a new section; and providing an
- 4 expiration date.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 79.90 RCW 7 to read as follows:
- 8 (1) The legislature finds that contaminated sediments are
- 9 widespread in Puget Sound. As of the effective date of this act, at
- 10 least sixty sites have been identified as needing remedial action under
- 11 the comprehensive environmental response, compensation, and liability
- 12 act of 1980 (42 U.S.C. Sec. 9601 et seq.) and the model toxics control
- 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
- 16 and the department of ecology with respect to the cleanup of
- 17 contaminated sediments on state-owned aquatic lands.
- 18 (2) The legislature finds that the purpose of cleaning up
- 19 contaminated sediments is to isolate contaminants from living organisms

p. 1 HB 3041

in the marine environment. As such, cleanup is beneficial to the 1 citizens of the state of Washington. Conversely, delay of cleanup is 2 harmful for biological resources, as well as for port districts and 3 4 local communities that depend on a revitalized waterfront. Attempts to 5 clean up contaminated sediments have resulted in protracted debates about whether it is permissible to use state-owned aquatic lands for 6 7 disposal. Processes to resolve this issue, including a pilot bay-wide 8 planning project and meetings of agency directors, have kept the 9 parties out of court but have not successfully resolved the fundamental 10 These issues have been defined as concern over the toxicity of the sediments, the permanence of contaminated sediment disposal on 11 state-owned aquatic lands, and determination of the true and complete 12 costs of disposal. These are challenging issues. Yet, the legislature 13 believes enough time has passed without resolving these issues and 14 without remediating contaminated sediments, that it must now assume its 15 16 responsibility for defining state policy on the use of state-owned 17 aquatic lands for contaminated sediment disposal, and for addressing the other unresolved issues related to toxicity and costs of cleanup. 18 19

(3) The legislature also believes that the current model for addressing liability and for distributing cleanup costs established under the state and federal cleanup statutes is not an appropriate one for resolving interagency disputes within state government. legislature defines the responsibilities of state agencies and must, when necessary, examine those responsibilities to resolve conflicting mandates and to better meet the needs of the state. Through the creation of a joint select committee on contaminated sediment management and liability, the legislature intends to address these responsibilities and related issues, including, but not limited to: The liability for any disposal on state-owned aquatic lands; the distribution of responsibility for prospective liability among the parties expecting to use state-owned aquatic lands for disposal; the management of, and fair market value for, any disposal sites on state lands; as well as the resolution of the state's liability for causing or contributing to the creation of contaminated sediments.

(4) The legislature finds that it is in the state's interest to undertake a program of bay-wide planning to provide opportunities for examining the feasibility of consolidating most or all of the contaminated sediments in an urban embayment in one location within that embayment or within another location in Puget Sound. The

HB 3041 p. 2

20

21

2223

24

25

26

27

28 29

30

31

32

3334

35

3637

38

39

- 1 legislature also finds that bay-wide planning should address needs for
- 2 salmon recovery, public access to state-owned aquatic lands, and
- 3 economic development.
- 4 **Sec. 2.** RCW 79.90.465 and 1984 c 221 s 4 are each amended to read 5 as follows:
- The definitions in this section apply throughout chapters 79.90 through 79.96 RCW.
- 8 (1) "Water-dependent use" means a use which cannot logically exist
- 9 in any location but on the water. Examples include, but are not
- 10 limited to, water-borne commerce; terminal and transfer facilities;
- 11 ferry terminals; watercraft sales in conjunction with other water-
- 12 dependent uses; watercraft construction, repair, and maintenance;
- 13 moorage and launching facilities; aquaculture; log booming; habitat
- 14 <u>mitigation;</u> and public fishing piers and parks.
- 15 (2) "Water-oriented use" means a use which historically has been
- 16 dependent on a waterfront location, but with existing technology could
- 17 be located away from the waterfront. Examples include, but are not
- 18 limited to, wood products manufacturing, watercraft sales, fish
- 19 processing, petroleum refining, sand and gravel processing, log
- 20 storage, and house boats. For the purposes of determining rent under
- 21 this chapter, water-oriented uses shall be classified as water-
- 22 dependent uses if the activity either is conducted on state-owned
- 23 aquatic lands leased on October 1, 1984, or was actually conducted on
- 24 the state-owned aquatic lands for at least three years before October
- 25 1, 1984. If, after October 1, 1984, the activity is changed to a use
- 26 other than a water-dependent use, the activity shall be classified as
- 27 a nonwater-dependent use. If continuation of the existing use requires
- 28 leasing additional state-owned aquatic lands and is permitted under the
- 29 shoreline management act of 1971, chapter 90.58 RCW, the department may
- 30 allow reasonable expansion of the water-oriented use.
- 31 (3) "Nonwater-dependent use" means a use which can operate in a
- 32 location other than on the waterfront. Examples include, but are not
- 33 limited to, hotels, condominiums, apartments, restaurants, retail
- 34 stores, ((and)) warehouses not part of a marine terminal or transfer
- 35 facility, and disposal of contaminated sediments on state-owned aquatic
- 36 lands except if such disposal is also used to remediate preexisting on-
- 37 site sediment contamination.

p. 3 HB 3041

- 1 (4) "Log storage" means the water storage of logs in rafts or 2 otherwise prepared for shipment in water-borne commerce, but does not 3 include the temporary holding of logs to be taken directly into a 4 vessel or processing facility.
- 5 (5) "Log booming" means placing logs into and taking them out of 6 the water, assembling and disassembling log rafts before or after their 7 movement in water-borne commerce, related handling and sorting 8 activities taking place in the water, and the temporary holding of logs 9 to be taken directly into a processing facility. "Log booming" does 10 not include the temporary holding of logs to be taken directly into a 11 vessel.
- 12 (6) "Department" means the department of natural resources.
- 13 (7) "Port district" means a port district created under Title 53 14 RCW.
- 15 (8) The "real rate of return" means the average for the most recent 16 ten calendar years of the average rate of return on conventional real 17 property mortgages as reported by the federal home loan bank board or 18 any successor agency, minus the average inflation rate for the most 19 recent ten calendar years.
- (9) The "inflation rate" for a given year is the percentage rate of change in the previous calendar year's all commodity producer price index of the bureau of labor statistics of the United States department of commerce. If the index ceases to be published, the department shall designate by rule a comparable substitute index.
- 25 (10) "Public utility lines" means pipes, conduits, and similar 26 facilities for distribution of water, electricity, natural gas, 27 telephone, other electronic communication, and sewers, including sewer 28 outfall lines.
- 29 (11) "Terminal" means a point of interchange between land and water 30 carriers, such as a pier, wharf, or group of such, equipped with 31 facilities for care and handling of cargo and/or passengers.
- 32 (12) "State-owned aquatic lands" means those aquatic lands and 33 waterways administered by the department of natural resources or 34 managed under RCW 79.90.475 by a port district. "State-owned aquatic 35 lands" does not include aquatic lands owned in fee by, or withdrawn for 36 the use of, state agencies other than the department of natural 37 resources.
- 38 (13) "Bay-wide plan" means a multijurisdictional plan developed for 39 the aquatic lands of the state that includes the following elements:

HB 3041 p. 4

- 1 (a) Cleanup of contaminated sediments;
- 2 (b) Restoration of estuary and salmon migration habitat;
- 3 (c) The highest achievable control of ongoing sources of point and 4 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, and local master programs under the shoreline management act, chapter 90.58 RCW.
- 10 <u>(14) "Disposal" means one of two methods for remediating</u> 11 <u>contaminated sediments:</u>
- (a) Contained 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.
- 19 <u>(b) Nearshore confined disposal is the dredging and disposal of</u>
  20 <u>contaminated sediments at a site constructed partially or completely in</u>
  21 <u>water adjacent to shore, where the dredged material is contained by a</u>
  22 <u>dike or berm and capped with clean sediment.</u>
- NEW SECTION. Sec. 3. A new section is added to chapter 79.90 RCW to read as follows:
- The department shall allow the use of state-owned aquatic lands for the cleanup of contaminated sediments, or as mitigation for the impacts of cleanup or disposal actions on aquatic habitat, when all of the following apply:
- (1) A bay-wide plan has been completed as provided in section 5 of this act, and such plan identifies in-water disposal on state-owned aquatic lands as the most environmentally protective and cost-effective disposal option available among a reasonable range of remedial actions, including upland disposal and treatment;
- 34 (2) The area to be used for disposal or mitigation is itself a site 35 needing remediation under state and federal cleanup statutes, or the 36 area to be used for disposal is a multiuser disposal site developed for 37 the purpose of accepting large volumes of contaminated sediments from 38 multiple sites in Puget Sound;

p. 5 HB 3041

- 1 (3) An account has been established to receive funds to address in 2 perpetuity any and all risks to the state from the contingencies 3 identified in the plan under subsection (1) of this section;
- 4 (4) The state is indemnified from any and all future liability for 5 contaminated sediments disposed of on state-owned aquatic land that are 6 not attached to the original liability of the state as established in 7 a consent decree under state or federal cleanup authorities, except for 8 sediments for which no responsible person has been identified in the 9 consent decree; and
- 10 (5) Constitutionally protected uses of harbor areas for commerce 11 and navigation are not impaired.
- NEW SECTION. **Sec. 4.** A new section is added to chapter 79.90 RCW to read as follows:
- (1) Bay-wide plans shall include the elements defined in RCW 79.90.465(13) and shall be initiated in urban embayments where less than fifty percent of identified contaminated sediments sites have been remediated as of the effective date of this act.
- 18 (2) A bay-wide planning group for an urban embayment shall include 19 the following representation: The department of ecology, the department of fish and wildlife, the department of natural resources, 20 the department of transportation, the Puget Sound water quality action 21 team, the local port district, the nearest city, and the county in 22 23 which the embayment is located. In addition, affected tribes shall 24 each be invited to provide a representative, and the United States army 25 corps of engineers, environmental protection agency, fish and wildlife service, and national marine fisheries service also shall each be 26 27 invited to provide a representative. Each member shall have an equal voice in the planning process and the group shall operate by consensus. 28 29 If consensus on planning outcomes is not achievable, the issues needing 30 to be resolved shall be brought to the alternative dispute resolution program within the attorney general's office. The planning process 31 32 shall be managed by a committee comprised of the representatives of the 33 department of ecology, the department of natural resources, and the 34 local port district.
- 35 (3) Funding for plan development shall be from the local toxics 36 control account established in RCW 70.105D.070.

нв 3041 р. 6

- <u>NEW SECTION.</u> **Sec. 5.** (1) A joint select committee on contaminated 1 sediment management and liability is established. The committee shall 2 3 include two representatives from each of the two major caucuses in the 4 appointed by the president of the senate, representatives from each of the two major caucuses in the house of 5 representatives appointed by the co-speakers of the house of 6 7 representatives. The committee shall also include a representative 8 from each of the following: The attorney general's office, the 9 governor's office, the department of ecology, the department of natural resources, the department of transportation, the department of fish and 10 wildlife, and the Puget Sound action team. 11
- 12 (2) The purpose of the joint select committee on contaminated 13 sediment management and liability is to address the following issues:
- 14 (a) The financial risk to the state associated with disposal of 15 contaminated sediments and how much funding should be available in a 16 contingency fund to offset this risk;
- 17 (b) How contaminated sediment disposal sites on state-owned aquatic 18 land should be managed;
- 19 (c) How the state's share of liability for contaminated sediments 20 should be determined;
- 21 (d) The fair market return to the state for the use of state-owned 22 aquatic land for disposal of contaminated sediment, when such disposal 23 occurs on already contaminated land;
- (e) The sources of funding and financial mechanisms that are available to fund the state's share of cleanup, the management of disposal sites, and contingency funding.
- 27 (3) Staff support for the joint select committee on contaminated 28 sediment management and liability shall be provided by the office of 29 program research and senate committee services.
- 30 (4) The committee shall provide a final report to the standing 31 environment committees of the house of representatives and the senate 32 by December 1, 2001. The committee shall provide an interim progress 33 report to the committees by December 1, 2000.
- 34 (5) This section expires December 31, 2001.

--- END ---

p. 7 HB 3041