

FINAL BILL REPORT

HB 2079

C 28 L 13
Synopsis as Enacted

Brief Description: Concerning the environmental legacy stewardship account.

Sponsors: Representative Dunshee.

None.

Background:

The Model Toxics Control Act (MTCA), which is administered and enforced by the Department of Ecology (DOE), requires liable parties to clean up sites contaminated with hazardous substances and authorizes the DOE to conduct certain pollution prevention activities. Under the MTCA, the State and Local Toxics Control Accounts (STCA and LTCA) were established to provide for hazardous and solid waste planning, contaminated site cleanup grants to local governments, and other activities related to hazardous waste prevention, management, and remediation.

During the second special session of the 2013 Legislature, legislation was enacted which, among other substantive changes to the MTCA, created the new Environmental Legacy Stewardship Account (ELSA), and added, eliminated, and transferred certain authorized uses of funds in the STCA and LTCA accounts.

Account Revenue Sources and Appropriations Procedures.

The primary source of revenue used to fund the activities authorized under the STCA, the LTCA, and the ELSA is a tax of 0.7 percent on the value of hazardous substances (HST). The STCA receives 56 percent of the first \$140 million in revenue generated by the HST, while the LTCA receives the other 44 percent of that amount. The ELSA receives all HST revenues in excess of that amount.

The Legislature may transfer funds between the STCA and the LTCA and from the STCA and the LTCA into the ELSA, if it determines that priorities for spending exceed available funds in any particular account. The Legislature may also appropriate funds in the ELSA to the STCA and the LTCA for certain types of projects and other activities that are completed at a quicker-than-average schedule.

Local Toxics Control Account.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Funds in the LTCA may be spent, in descending order of priority, on extended grant agreements, remedial actions, storm water pollution, hazardous waste plans and programs, solid waste plans and programs, and plastic and foam debris cleanup. Among remedial action grants specifically, priority is to be given to facilities on the state's hazardous sites list with a high hazard ranking and approved work plan, and to brownfield sites within designated redevelopment opportunity zones in instances where local governments have opted to create the zones.

State Toxics Control Account.

Funds in the STCA may be spent on the following authorized activities:

- hazardous waste planning;
- solid waste planning;
- hazardous waste cleanup;
- matching funds to meet federal cleanup law requirements;
- financial assistance for local programs in solid waste, hazardous waste, used oil recycling, waste reduction, and hazardous waste reduction and recycling efforts;
- water and environmental health protection and monitoring;
- the Centennial Clean Water Fund;
- public participation activities;
- funding for remedial actions by potentially liable parties under certain settlement agreement conditions and findings made by the DOE;
- alternative hazardous waste management priorities; and oil and hazardous material spill prevention;
- paint and hazardous waste disposal programs from households, small business, and agriculture;
- agriculture and health programs for pesticide reduction and disposal;
- funding requirements for federal fund receipt under the Solid Waste Disposal Act;
- toxic air pollution and air quality programs;
- storm water pollution control projects with a nexus to hazardous clean-up sites or existing remedial actions;
- public funding to assist potentially liable persons to pay for remedial actions under settlement agreements, if the project is located within a redevelopment opportunity zone and meets certain other criteria; and
- cleanup of petroleum based plastic or polystyrene foam debris in fresh or marine waters.

Environmental Legacy Stewardship Account.

Funds in the ELSA may be spent on measures including performance and outcome-based projects, model remedies, demonstrated technologies, procedures, contracts, and project management and oversight that result in significant reductions in the average time spent to complete:

- activities authorized under the STCA and the LTCA;
- storm water low-impact development retrofits and other significantly environmentally beneficial projects which reduce storm water pollution from existing infrastructure and development; and
- abandoned and derelict vessel cleanup.

Summary:

The authorized uses of funds in the ELSA account are amended so that funds may be spent on all enumerated authorized activities, rather than only authorized activities that meet the criteria of being performance and outcome-based projects, model remedies, demonstrated technologies, procedures, contracts, and project management and oversight that result in significant reductions in the average time spent to be completed.

The list of enumerated authorized uses of the ELSA funds is also amended as follows:

- *retained* as an enumerated authorized use of the ELSA funds are all activities authorized under the STCA and the LTCA;
- also *retained* as an enumerated authorized use of the ELSA funds is the cleanup of abandoned and derelict vessels;
- *amended* as an enumerated authorized use of the ELSA funds are storm water low-impact development retrofits, which are specified to be grants or loans to local governments, awarded through a competitive grant making process administered by the DOE that will review, rank, and prioritize low impact development retrofit and other high quality projects that reduce storm water from existing infrastructure; and
- *added* as a new enumerated authorized use of the ELSA funds are grants and loans to local governments for performance and outcome-based projects, model remedies, demonstration projects, procedures, contracts, and project management and oversight that result in significant reductions in the average time spent to complete those projects.

Votes on Final Passage:

Second Special Session

House	56	34
Senate	34	13

Effective: September 28, 2013