

SENATE BILL REPORT

HB 2079

As of Second Reading

Title: An act relating to expenditures from the environmental legacy stewardship account.

Brief Description: Concerning the environmental legacy stewardship account.

Sponsors: Representative Dunshee.

Brief History: Passed House: 6/25/13, 56-34.

Committee Activity:

Staff: Jan Odano (786-7486) / Brian Sims (786-7431)

Background: The state Model Toxics Control Act (MTCA) is carried out by the Department of Ecology (DOE) to ensure that cleanup of sites at which hazardous substances were released. DOE is responsible to investigate, conduct remedial actions, enforce actions to protect human health, and provide technical and administrative assistance.

MTCA is funded by a 0.7 percent tax on the wholesale value of hazardous substances (HST), cost recovery from remedial actions, mixed waste fees, and to a lesser extent fines, penalties, and other charges. This provides funding for activities such as state programs for hazardous and solid waste planning, management, and enforcement; financial assistance for local hazardous and solid waste programs; and assistance for potentially liable persons to pay for remedial actions under certain circumstances.

During the 2nd Special Session of 2013, the Legislature enacted 2E2SSB 5296. 2E2SSB 5296 revised the percentage of HST deposited into the State Toxics Control Account (STCA) and the Local Toxics Control Account (LTCA), added new uses under STCA, prioritized the use of funds under LTCA, and created the Environmental Legacy Stewardship Account (ELSA).

Beginning July 1, 2013, 56 percent of the HST must be deposited into the STCA and 44 percent must be deposited into the LTCA. Once \$140 million of the HST is distributed to STCA and LTCA, the remainder collected must be deposited into ELSA.

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.

ELSA funds may be used for performance and outcome-based projects, model remedies, demonstrated technologies, and procedures that result in reductions in the time to complete:

- activities authorized under STCA and LTCA;
- stormwater low-impact retrofit projects and other projects with significant environmental benefits that reduce stormwater pollution from existing infrastructure and development; and
- cleanup of derelict vessels.

The Legislature may transfer funds between the STCA, LTCA, and ELSA, if it determines that the priorities for spending in these accounts exceed available funds.

Summary of Bill: The use of ELSA funds is revised and may be spent on:

- grants or loans to local governments for performance and out-come based projects, model remedies, demonstration projects, procedures, contracts, and project management and oversight that result in significant reductions in the time to complete compared to base line averages;
- activities authorized under STCA and LTCA;
- grants or loans to fund design and construction of low-impact development retrofit projects and other high quality projects that reduce storm water pollution from existing infrastructure; and
- cleanup of derelict vessels.

The competitive grant and loan program is administered by DOE. The criteria to review, rank, and prioritize projects for funding must be based on water quality benefits, ecological benefits, and effectiveness at reducing environmental degradation.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

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