

SENATE BILL REPORT

SB 5357

As of February 13, 2013

Title: An act relating to directing state investments of existing litter tax revenues under chapter 82.19 RCW in material waste management efforts without increasing the tax rate

Brief Description: Directing state investments of existing litter tax revenues under chapter 82.19 RCW in material waste management efforts without increasing the tax rate.

Sponsors: Senators Honeyford, Delvin, Ericksen, Hobbs, Hatfield and Rolfes.

Brief History:

Committee Activity: Energy, Environment & Telecommunications: 2/12/13.

SENATE COMMITTEE ON ENERGY, ENVIRONMENT & TELECOMMUNICATIONS

Staff: Jan Odano (786-7486)

Background: A tax is imposed on businesses whose products, including the packaging, wrappings, and containers are reasonably related to the litter problem in the state. The types of products that fall under this tax include beer, cigarettes, soft drinks, newspapers and magazines, glass containers, metal containers, and household paper and paper products.

The revenues from the litter tax are allocated to the Department of Ecology (Ecology). Ecology is directed to be the coordinating agency between organizations looking to assist in waste reduction, litter control, and recycling as well as to coordinate with state agencies and local governments receiving funding for litter control and recycling activities.

Of the litter tax account, 50 percent of the funds are for use by Ecology, the Department of Natural Resources, Department of Corrections, Department of Transportation, and the Parks and Recreation Commission for litter collection programs. The Department of Revenue also receives a small portion of the revenue for administering the funds in the account. These funds must also be used for a biennial litter survey, statewide public awareness programs, and to defray local government administration costs so that they can apply all of their funding to achieving program goals.

Twenty percent of the litter tax revenues go to local governments for waste reduction, litter control, and recycling activities. The remaining 30 percent of the revenue goes to Ecology for waste reduction and recycling efforts.

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.

In addition to litter control and recycling activities, Ecology must encourage and organize voluntary local waste reduction, anti-litter and recycling campaigns, search for available funding for litter control programs, and conduct a biennial statewide litter survey and a summary of all waste reduction, litter control, and recycling efforts.

In 2010, the litter crews organized through state and local agencies picked up 3.8 million pounds of litter.

Summary of Bill: Ecology must coordinate the use of the the litter tax funds for recycling, composting, and litter collection, reduction, and control programs with a priority given to the products taxed under the litter tax.

Of the 50 percent of the funds provided to Ecology and other agencies for litter collection programs, these funds must also be used to support employment of youth in litter cleanup and for litter pickup by other authorized agencies.

Ecology must create a matching fund competitive grant program with local governments or nonprofit organizations for public education programs, litter reduction, recycling, and composting of the taxed products from the 20 percent of the funds to local government programs for waste reduction, litter control and recycling. The local government programs must also include composting.

Under the 30 percent of the funds to Ecology the activities for waste reduction, litter control, and recycling activities are specified. The activities provide technical assistance to local governments for commercial business and residential recycling and composting programs for taxed products; and increased access to composting and recycling programs for food packaging and plastic bags.

Any funds unused by state agency litter control programs or other waste reduction, recycling, and composting activities may be applied to the competitive matching grant program.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony: PRO: There are fiscal impacts not considered by the Governor's budget. We are working with stakeholders to reduce these impacts. The bill clarifies the use of the litter tax and supports the litter, waste reduction, and recycling programs. This is a key source of funding for local communities and state agencies. This will ensure that the litter tax dollars are used for cleaning up litter and for local government programs designed for recycling and disposal or composting of the products being taxed.

Persons Testifying: PRO: Laurie Davies, Ecology; Suellen Mele, Zero Waste WA; Carolyn Logue, WA Food Industry Assn.