
Environment Committee

HB 1060

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: Representatives Fitzgibbon, Short, Farrell, Pike, Gregerson, Jinkins and Fey.

Brief Summary of Bill

- Adds composting as a subject covered by the Waste Reduction, Recycling, and Litter Control Act;
- Changes the specified allowable uses of litter tax revenues allocated to litter collection efforts coordinated by the Department of Ecology (ECY), waste reduction and recycling programs managed by ECY, and local government waste reduction and recycling programs;
- Makes permanent certain allowed uses of litter tax revenues on waste reduction, recycling, and litter control programs that had previously been specified only for the 2013-2015 biennium; and
- Amends and permanently establishes a 2013-2015 biennium matching fund competitive grant program administered by ECY for litter reduction and recycling programs run by local governments and nonprofit organizations.

Hearing Date: 1/13/15

Staff: Jacob Lipson (786-7196).

Background:

The Waste Reduction, Recycling, and Litter Control Act (Act), dating to 1971, prohibits littering and establishes statewide programs to prevent and clean up litter, reduce waste, and increase recycling. These programs are funded by the 0.00015 percent litter tax on manufacturers', wholesalers', and retailers' gross proceeds on 13 categories of consumer products. The products subject to the litter tax include human food, pet food, groceries, cigarettes, tobacco products,

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wine, beer, malt beverages, soft drinks, carbonated water, household paper products, cleaning agents, toiletries, nondrug drugstore assorted products, and glass, metal, plastic, and synthetic fiber containers.

Allowed Uses of Litter Tax Revenues: Waste Reduction, Recycling, and Litter Control Act Programs.

The programs funded by the litter tax under the Act include litter collection efforts by state agencies including the Department of Ecology (ECY), and state assistance of local government waste reduction and recycling programs. Also established by the Act is the ECY Youth Corps program, which employs teens to collect litter from highways, parks, and other public areas.

In most years, litter tax revenues have been directed into a Waste Reduction, Recycling, and Litter Control Account (Account), from which it is distributed to fund the Act's programs as follows:

- Fifty percent is allocated to litter collection efforts by several state agencies, including the departments of Ecology, Transportation, Corrections, Revenue, and Natural Resources. This 50 percent allocation of the litter tax is also used to cover the ECY's costs of coordinating statewide litter control efforts, to conduct a statewide litter survey, and to conduct statewide public awareness programs.
- Twenty percent is allocated to local city and county waste reduction, recycling, and litter control programs, which are administered by the ECY as the Community Litter Cleanup Program; and
- Thirty percent is allocated to the ECY for waste reduction and recycling efforts.

2013 Amendments to Litter Tax Allowed Uses and Waste Reduction, Recycling, and Litter Control Act Programs.

The 2013 Legislature enacted legislation which distributes 5 million dollars per fiscal year of litter tax revenue to the State Parks Renewal and Stewardship Account until July 1, 2017. This money is to be used to fund the operations and maintenance of State Parks.

In addition, several changes to the allowable uses of litter tax revenues in the Waste Reduction, Litter Control, and Recycling Account (Account) were made in the 2013-15 operating budget passed in 2013, and apply only during the 2013-2015 biennium. Under these 2013 amendments, during the 2013-2015 biennium litter tax funds used for Act programs must generally be prioritized for recycling and litter programs for the products subject to the litter tax. In addition, the following specific uses of litter tax funds in the Account are authorized during the 2013-2015 biennium:

- Under the 50 percent of Account money allocated for litter collection efforts by state agencies, the ECY Youth Corps was specifically authorized to be funded;
- Under the 20 percent of Account money allocated to the ECY to fund local government activities, the ECY was also authorized to create a matching fund competitive grant program to local governments and nonprofit organizations for litter reduction and recycling public assistance programs related to the items subject to the litter tax. Unspent funds from other Act programs may be spent on the matching fund competitive grant program.
- The 30 percent of Account money allocated to the ECY for waste reduction and recycling were specified during the 2013-2015 biennium for the following activities:

- to implement waste reduction and recycling efforts, including coordination with other state agencies, local governments, and voluntary efforts;
- for technical assistance to local governments for commercial and residential recycling programs primarily for products subject to the litter tax; and
- to increase access to recycling programs, particularly for food packaging, plastic bags, and appropriate techniques of discarding products.

Summary of Bill:

Scope of the Act.

The encouragement of composting is added as a purpose of the Act. State and local government programs authorized by the Act may include composting activities in addition to waste reduction, recycling, and litter control efforts. In addition, the 2013-2015 biennium requirement that Act programs prioritize the 13 categories of products subject to the litter tax is made a continuing part of state law.

Allocation of Litter Tax Funds.

The changes to the specific allowable uses of litter tax funds in the Account made in the 2013 budget are, with some further changes, extended on a non-expiring basis beyond the 2013-2015 biennium.

- Under the 30 percent allocation of Account money to ECY under the Act, three activities are authorized:
 - implementing waste reduction, recycling, and composting efforts, including coordination with other state agencies, local governments, and voluntary efforts;
 - providing technical assistance to local governments for recycling and composting public education programs; and
 - increasing access to waste reduction, composting and recycling programs.

Extended permanently is the 2013-2015 biennium's funding of the ECY Youth Corps among the state agency litter collection activities funded as part of the 50 percent allocation of Account money to the ECY.

The 2013-15 biennium's matching fund competitive grant program is also extended permanently. The competitive grant program is funded out of the 20 percent of Account money that is also allocated to the ECY for local government waste reduction, litter control, composting, and recycling efforts, plus unspent funds from other allocations to Act activities. Composting is added as a subject of the matching fund competitive grant program, and the following restrictions and structural elements are added to the grant program:

- Grants must be less than \$60,000.
- Local governments must match 25 percent of eligible grant program expenses in cash or contributed services.
- A legislative appropriation is required in order for grant payments to be made.
- Grants must be managed under existing ECY grant program guidelines.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.