Washington State House of Representatives Office of Program Research

BILL ANALYSIS

State Government & Tribal Relations Committee

HB 2713

Brief Description: Encouraging compost procurement and use.

Sponsors: Representatives Walen, Chandler, Springer, Kretz, Fitzgibbon, Blake, Doglio, Davis, Ramel, Goodman and Pollet.

Brief Summary of Bill

- Requires state agencies and local governments to use compost products in government-funded projects, subject to certain exceptions.
- Requires local governments that provide residential compost services to enter into a purchasing agreement with their compost processor to buy back finished compost products for use in government projects or on government land.
- Creates a three-year compost reimbursement pilot program for farming operations to receive reimbursement for 50 percent of its purchase, transportation, equipment, spreading, and labor costs up to \$50,000 per year.
- Requires the Department of Agriculture to manage the reimbursement pilot program.

Hearing Date: 2/5/20

Staff: Jason Zolle (786-7124).

Background:

Washington passed an act in 1991 with the intent to increase the procurement of products containing recycled products by state agencies and local governments. The act required the Director of the Department of General Administration (now the Department of Enterprise Services) to adopt standards specifying the minimum permissible content of recycled materials in products commonly purchased by state and local governments, such as paper, latex paint, and building insulation. The state was required to create a mandatory plan to increase purchases of

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recycled-content products, which included a target for purchase of compost products for landscaping or similar projects. "Compost products" are defined as mulch, soil amendments, ground cover, or other landscaping material derived from the biological or mechanical conversion of biosolids or cellulose-containing waste materials.

The act also required local governments to adopt a minimum purchasing goal for recycled content as a percent of the total amount of supplies purchased. Local governments were encouraged to consider policies to give preferential purchasing treatment to products with recycled content. Counties and cities were required to adopt specifications for the use of compost products in road projects.

Some of these requirements have since grown more stringent. Compost products are now required to meet federal product standards. The amount of compost products required to be purchased by the state was doubled between 1994 to 1998.

Summary of Bill:

State agencies and local governments are required to consider whether compost products can be used in government-funded projects when planning or soliciting and reviewing bids. If compost products can be utilized in the project, the agency or local government must do so, subject to the following exceptions:

- compost products are not available within a reasonable amount of time; or
- compost products that are available do not meet existing purchasing standards or federal or state health and safety standards.

Purchase priority is to be given to local compost producers that are certified by a nationally recognized organization and produce products derived from municipal compost programs.

Local governments that provide residential compost services must enter into purchasing agreements to buy back at least 50 percent of the finished compost product produced from the compost it delivered to its processor. The compost processor must offer a purchase price that is reasonable and competitive for the specific market.

The Department of Agriculture (Department) must create a three-year compost reimbursement program to reimburse certain expenses to farming operations in the state. These expenses are for:

- the purchase of compost products;
- transportation;
- equipment;
- spreading; and
- labor.

A farming operation is a commercial agricultural, silvicultural, or aquicultural facility or pursuit including care and production of animals for food and certain nonfood uses, the production of crops, and the farming or ranching of plants or animals in water environments.

Farming operations may be reimbursed for up to 50 percent of the costs they incur, up to \$50,000 per year. Compost products that the farming operation has or intends to transfer, whether or not

for compensation, may not be reimbursed. Funds must be distributed by the Department on a first-come, first-served basis.

To be reimbursed, a farming operation must submit one application per year on a Department-created form that may include verification of the size, sale weight, or amount of compost products used, as well as verification of the costs requested for reimbursement. Applications must be submitted by September 1 for the previous fiscal year.

A new position is established within the Department for a compost reimbursement pilot project manager, exempt from civil service with a salary that may not exceed \$50,000 per year. The manager is required to facilitate the reimbursements and manage the day-to-day coordination of the program.

Appropriation: None.

Fiscal Note: Not requested.

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