SENATE BILL REPORT SB 5397

As Reported by Senate Committee On: Environment, Energy & Technology, February 7, 2019

Title: An act relating to the responsible management of plastic packaging.

Brief Description: Concerning the responsible management of plastic packaging.

Sponsors: Senators Rolfes, Carlyle, Darneille, Saldaña, Hasegawa, Hunt and Kuderer.

Brief History:

Committee Activity: Environment, Energy & Technology: 1/24/19, 1/31/19, 2/07/19 [DPS-WM, w/oRec, DNP].

Brief Summary of First Substitute Bill

- Requires Department of Ecology (DOE) to hire a third party independent contractor to conduct a study on the management and disposal of plastic packaging in the state and provide a report with findings and recommendations to the Legislature by December 31, 2019.
- Requires DOE to work with stakeholders to develop a product stewardship plan and implement a program for a plastic packaging product stewardship program with a goal to establish the program by January 1, 2022.

SENATE COMMITTEE ON ENVIRONMENT, ENERGY & TECHNOLOGY

Majority Report: That Substitute Senate Bill No. 5397 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Carlyle, Chair; Palumbo, Vice Chair; Billig, Das, Liias, McCoy, Nguyen and Wellman.

Minority Report: That it be referred without recommendation.

Signed by Senator Rivers.

Minority Report: Do not pass.

Signed by Senators Ericksen, Ranking Member; Fortunato, Assistant Ranking Member, Environment; Brown and Short.

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.

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Staff: Jan Odano (786-7486)

Background: Local governments have the primary responsibility to manage solid waste. Each county must prepare a coordinated, comprehensive solid waste management plan and adopt regulations or ordinances to implement the plan. The plan must include solid waste handling, recovery, and recycling that can be integrated into the comprehensive county plan. The waste reduction and recycling element must include waste-reduction and source-separation strategies as well as the levels of service provided.

DOE reviews and approves locally issued permits and solid waste management plans, and defines minimum functional standards for all types of solid waste facilities. The regulations must address storage, collection, transportation, and treatment.

The Utilities and Transportation Commission (UTC) regulates haulers transporting solid waste, garbage, and recyclables from residential sites. The certificate to transport garbage and recyclables sets the geographic areas in which the company is authorized to collect waste. All transporters of recyclable materials or recyclables must register with DOE.

Cities and counties implement their solid waste plans and determine materials that may be accepted in curbside recycling. The majority of local governments and solid waste collection companies collect commingled recycled materials in a provided single cart. Depending on the service provider, several bins may be provided to customers requiring recyclables to be separated by type or source.

All collected materials for recycling are transported to a materials recovery facility (MRF). At MRFs, collected materials are sorted and processed into bales of different types of recyclables. The MRF readies the bales of recyclable materials for shipment and sale to a secondary processor or end-user. Materials that are not recyclable are sent to the landfill.

In Washington, product stewardship requirements are established for mercury containing light, photovoltaic modules, and electronic products. Central to product stewardship are certain principles including:

- producers are responsible for their products throughout all lifecycle stages;
- producers are responsible for the administration and financing of programs for endof-life management of their products; and
- producer programs are transparent and accountable.

The revenues from the litter tax are allocated from the Waste Reduction, Recycling, and Litter Control Account to DOE. DOE is the coordinating agency between organizations looking to assist in waste reduction, litter control, and recycling, as well as with state agencies, including the Department of Corrections and DOT, and local governments that receive funding for litter control and recycling activities. In addition, DOE employs teens through the Ecology Youth Corps to collect litter from highways, parks, and other public areas. DOE must develop criteria for evaluating the effectiveness and efficiency of the participating agencies' litter collection programs.

Summary of Bill (First Substitute): DOE must evaluate and assess the amount and types of plastic packaging sold into the state as well as its management and disposal. Producers,

stakeholders and solid waste management service providers must be consulted when the evaluation is being conducted. DOE must hire a third party independent consultant to conduct the evaluation and assessment.

By December 31, 2019, DOE must submit a report to the Legislature with findings and recommendations based on the evaluation and assessment of management and disposal of plastic packaging. The report must include an assessment of the:

- amount and types of plastic packaging coming into the state;
- full cost of managing plastic packaging waste, including costs to ratepayers, businesses and others:
- final disposition of all plastic packaging sold into the state;
- costs and savings to all stakeholders in product stewardship programs implemented in other cities and solid waste companies.
- needed infrastructure to implement a product stewardship program; and
- existing stewardship organizations and databases useful to develop a program in Washington State.

The report must include a compilation of all of the programs in the state currently managing plastic packaging, including end-of-life management and litter and contamination cleanup, and existing studies of the final disposition of plastic packaging and materials recovery facilities residual composition. In addition, a review of industry efforts and innovations to reduce, reuse, and recycle plastic packaging must be included in the report.

Plastic packaging is a designated product requiring product stewardship. DOE must work with producers, local governments, and regulated and non regulated solid waste service providers to aspire to develop and implement a plastic packaging product stewardship program by January 1, 2022. The product stewardship program must include at a minimum:

- progressive management of plastic packaging to increase rates of recycling and reduce solid waste;
- a goal to reduce generation and disposal of plastic by at least 5 percent annually;
- strategies to manage and reduce life-cycle impacts of products and packaging, including ways to improve designing, packaging and distributing; and
- education and outreach activities.

DOE must take into consideration the report on the assessment of management and disposal of plastic packaging when developing the plastic packaging product stewardship program.

DOE may adopt rules necessary to implement and enforce a product stewardship program. The rules may include fees sufficient to cover the costs of administering the program.

A plastic products stewardship account is created for all receipts of the product stewardship program. Money in the account may only be spent after appropriation and for the purposes of this act.

EFFECT OF CHANGES MADE BY ENVIRONMENT, ENERGY & TECHNOLOGY COMMITTEE (First Substitute):

• Strikes all requirements for plastic product stewardship.

- Intends that a plastic product stewardship program be developed and implemented by January 1, 2022.
- Requires DOE to hire a third party independent contractor to conduct a study on the management and disposal of plastic packaging in the state and provide a report with finding and recommendations to the Legislature by December 31, 2019.
- Requires DOE to work with stakeholders to develop a product stewardship plan and implement a program for plastic packaging product stewardship program with a goal to establish the program by January 1, 2022.
- Makes the requirements of the bill subject to the availability of the Waste Reduction, Recycling, and Litter Control Account (litter tax) funding.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

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

Staff Summary of Public Testimony on Original Bill: The committee recommended a different version of the bill than what was heard. PRO: The amount of plastic produced has gone up 20 times. Explosion in the use and production of plastic. The consumers are burdened with plastic. This bill provides a great solution. It follows other successful programs. We have collected thousands of pounds of marine debris the vast majority of which is plastics. We need to address plastics at its source. British Columbia is handling these same plastics responsibly and they are being sorted by resin type. They have domestic markets as a result.

Producers of plastic production globally see the value of having the packaging for their product be recyclable and having recycled content in recent months companies such as Coca-Cola and you know lever team a few have announced a sustainability goals that includes a commitment to the use of large percentages of or cycle plastic content in their packaging. This would create a consistent and comprehensive system for the whole state. It will be big and complex but that is what we need to deal with the magnitude of this problem. We need to address the source and turn off the valve as our oceans are overflowing with plastic.

CON: We are a strong supporter of the producer responsibility model for manufacturers. However, we are not sure whether or not this model would be effective with plastic packaging. We prefer a stakeholder group to come up with some creative solutions and to determine the issues and problems are during the interim. We recognize the need to reduce plastics and improve recyclability but this bill is overly broad in scope and places an enormous impact on companies even those that are taking proactive steps to reduce the environmental impacts of their packaging.

OTHER: They types of plastic packaging for food products and packaging around food are very different and need to be safe and meet health codes. The bill needs clarifying language to exempt plastic packaging used to prevent tampering for over the counter drugs.

Persons Testifying: PRO: Joanna Eide, Department of Natural Resources; Sego Jackson, Seattle Public Utilities Strategic Advisor, Waste Prevention and Product Stewardship; Jeff Gaisford, King County Solid Waste Division; Gus Gates, Surfrider Foundation; Bruce Speight, Environment Washington; Heather Trim, Zero Waste Washington; Carl Schroeder, Association of Washington Cities.

CON: Peter Godlewski, Association of Washington Business; Jennifer Gibbons, Toy Association.

OTHER: Laurie Davies, DOE; Carolyn Logue, Washington Food Industry Association; Scott Sigmon, Consumer Health Products Association; Mark Johnson, Washington Retail Association.

Persons Signed In To Testify But Not Testifying: No one.

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