

SENATE BILL REPORT

SB 6430

As Passed Senate, February 17, 2020

Title: An act relating to establishing a statewide industrial waste coordination program.

Brief Description: Establishing a statewide industrial waste coordination program.

Sponsors: Senators Brown, Rolfes, Frockt, Warnick, Das and Hasegawa.

Brief History:

Committee Activity: Environment, Energy & Technology: 1/22/20, 1/30/20 [DP-WM].
Ways & Means: 2/10/20, 2/11/20 [DP].

Floor Activity:

Passed Senate: 2/17/20, 48-0.

Brief Summary of Bill

- Establishes an industrial waste coordination program to provide expertise, technical assistance, and best practices to support local industrial symbiosis projects.
- Establishes a competitive industrial symbiosis grant program to provide grants for the research, development, and deployment of local waste coordination projects.

SENATE COMMITTEE ON ENVIRONMENT, ENERGY & TECHNOLOGY

Majority Report: Do pass and be referred to Committee on Ways & Means.

Signed by Senators Carlyle, Chair; Lovelett, Vice Chair; Ericksen, Ranking Member; Fortunato, Assistant Ranking Member, Environment; Sheldon, Assistant Ranking Member, Energy & Technology; Brown, Das, Hobbs, Liias, McCoy, Nguyen, Rivers, Short, Stanford and Wellman.

Staff: Greg Vogel (786-7413)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

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.

Signed by Senators Rolfes, Chair; Frockt, Vice Chair, Operating, Capital Lead; Mullet, Capital Budget Cabinet; Braun, Ranking Member; Brown, Assistant Ranking Member, Operating; Honeyford, Assistant Ranking Member, Capital; Becker, Billig, Carlyle, Conway, Darneille, Dhingra, Hasegawa, Hunt, Keiser, Liias, Muzzall, Pedersen, Rivers, Schoesler, Van De Wege, Wagoner, Warnick and Wilson, L..

Staff: Corban Nemeth (786-7736)

Background: Industrial symbiosis is the use by one company or sector of waste resources broadly defined—including waste, by-products, residues, energy, water, logistics, capacity, expertise, equipment and materials—from another. Examples of industrial symbiosis include Kalundborg, Denmark's eco-industrial park, a National Industrial Symbiosis Program (NISP) pilot project in the Vancouver and Edmonton areas in Canada, the original NISP in the United Kingdom, and various adaptations of the NISP model deployed in more than 30 countries globally.

In the 2019-21 biennial operating budget, the Department of Commerce (Commerce) was directed to produce a proposal and recommendations for setting up an industrial waste coordination program by December 1, 2019. The report presents six key recommendations for a proposed Washington program:

- invest in facilitated industrial symbiosis;
- invest in industrial symbiosis research, development, and deployment;
- develop a supportive policy framework;
- continue to support clean energy;
- maximize industrial symbiosis opportunities involving utilities and infrastructure; and
- coordinate and strategically manage materials flow data.

Summary of Bill: An industrial waste coordination program is established to provide expertise, technical assistance, and best practices to support local industrial symbiosis projects. The program is to be administered by Commerce and administered regionally, with each region provided a dedicated facilitator and technical and administrative support. The program must facilitate waste exchange by:

- developing inventories of industrial waste innovation currently in operation;
- generating a material flow data collection system to capture and manage data on resource availability and potential synergies;
- establishing guidance and best practices for emerging local industrial resource hubs;
- identifying access to capital in order to fund projects, including federal, state, local, and private funding;
- developing economic and environmental performance metrics to measure the results of industrial or commercial hubs;
- hosting workshops and connecting regional businesses, governments, utilities, and research institutions to identify opportunities for resource collaboration;
- assisting entities throughout the entire life cycle of industrial symbiosis projects, from identification of opportunities to full project implementation; and
- developing economic cluster initiatives in order to spur growth and innovation.

No entity is required to disclose material flow data. In generating the material flow data collection system, Commerce may only use publicly available data or data voluntarily

provided by program participants. Commerce must keep any proprietary business information confidential and such information is exempt from public disclosure.

Subject to appropriation, a competitive industrial symbiosis grant program is established to provide grants for the research, development, and deployment of local waste coordination projects. Grants may go towards several project types, including:

- existing industrial symbiosis efforts by public or private sector organizations;
- emerging industrial symbiosis opportunities involving public or private sector organizations, including projects arising from:
 - the industrial waste coordination program;
 - conceptual work completed by public utilities to redirect their wastes to productive use; or
 - existing inventories or project concepts involving specific biobased wastes converted to renewable natural gas;
- research on product development using a specific waste flow;
- feasibility studies to evaluate potential biobased resources; and
- feasibility studies for publicly owned utilities to evaluate business models to transform to multiutility operations or for the evaluation of potential symbiosis connections with other regional businesses.

Commerce must develop a method and criteria for allocating of grants subject to the following:

- project allocation should reflect geographic diversity, with grants being distributed equally in western and eastern parts of the state, urban and rural areas, and small towns and large cities;
- project allocation should consider factors such as time to implementation and scale of economic or environmental benefits;
- grants must require a one-to-one nonstate to state match; and
- individual grant awards may not exceed \$500,000.

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. Includes a null and void clause.

Staff Summary of Public Testimony (Environment, Energy & Technology): PRO: Reduce, reuse, recycle—it is all in the bill. We are all accustomed to advocates of industry and the environment being at odds, but this Danish concept brings those two groups together. For the last three years, we have led study tours, showing the tremendous economic and environmental benefits of these systems. We see tremendous opportunities for application in communities of all shapes and sizes throughout the state. The bill could be improved by considering net environmental benefit, vulnerable populations, and supporting existing green businesses.

Persons Testifying (Environment, Energy & Technology): PRO: Rhys Roth, Center for Sustainable Infrastructure; Heather Trim, Zero Waste Washington; Greg Rock, Carbon Washington.

Persons Signed In To Testify But Not Testifying (Environment, Energy & Technology): No one.

Staff Summary of Public Testimony (Ways & Means): PRO: This bill represents the Denmark approach to industrial symbiosis, and is a common sense bill. All smokestacks and sewage water represent an opportunity for reuse, but somebody needs to be dedicated to make industrial coordination happen. This proposal is scalable based on funding.

Persons Testifying (Ways & Means): PRO: Heather Trim, Zero Waste Washington.

Persons Signed In To Testify But Not Testifying (Ways & Means): No one.