## HOUSE BILL 2713

State of Washington 66th Legislature 2020 Regular Session

By Representatives Walen, Chandler, Springer, Kretz, Fitzgibbon, Blake, Doglio, Davis, Ramel, Goodman, and Pollet

Read first time 01/20/20. Referred to Committee on State Government & Tribal Relations.

- 1 AN ACT Relating to encouraging compost procurement and use; 2 adding new sections to chapter 43.19A RCW; creating new sections; and
- 3 providing an expiration date.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- The legislature finds and declares that 5 NEW SECTION. Sec. 1. 6 local compost manufacturing plays a critical role in our state's 7 solid waste infrastructure. Composting benefits Washington agencies, counties, cities, businesses, and residents by diverting hundreds of 8 9 thousands of tons of organic waste from landfills, reducing solid waste costs, and lowering carbon emissions. The legislature finds 10 11 that a growing number of local governments are recognizing the 12 benefits of composting programs and offering compost collection to 13 their residents and businesses. The diversion of food waste from 14 landfills to compost processors remains critical for state and local 15 governments to meet their ambitious diversion goals.
- The legislature also finds that composting is a strong carbon reduction industry for Washington, as the application of compost to soil systems permits increased carbon concentration. Compost can also replace synthetic chemical fertilizer, prevent topsoil erosion, and filter stormwater on green infrastructure projects such as rain gardens and retention ponds.

p. 1 HB 2713

- The legislature declares that state and local governments should lead by example by purchasing and using local compost and by encouraging farming operations to do so as well.
- 4 <u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 43.19A 5 RCW to read as follows:
- (1) When planning government-funded projects or soliciting and reviewing bids for such projects, all state agencies and local governments shall consider whether compost products can be utilized in the project.
- 10 (2) If compost products can be utilized in the project, the state 11 agency or local government must use compost products unless:
- 12 (a) Compost products are not available within a reasonable period 13 of time;
- 14 (b) Compost products that are available do not comply with 15 existing purchasing standards; or
- 16 (c) Compost products that are available do not comply with 17 federal or state health and safety standards.
- 18 (3) State agencies and local governments are encouraged to give 19 priority to purchasing compost products from companies that produce 20 compost products locally, are certified by a nationally recognized 21 organization, and produce compost products that are derived from 22 municipal solid waste compost programs.
- NEW SECTION. Sec. 3. A new section is added to chapter 43.19A RCW to read as follows:

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- (1) Each local government that provides a residential compost service must enter into a purchasing agreement with its compost processor to buy back finished compost products for use in government projects or on government land. The agreement must include the following terms:
- (a) The local government must purchase an amount of finished compost product that is equal to or greater than fifty percent of the amount of compost it delivered to the compost processor; and
- (b) The compost processor must offer a purchase price that is reasonable and competitive for the specific market.
- 35 (2) When purchasing compost products for use in government 36 projects or on government-owned land, local governments are 37 encouraged to purchase compost with at least eight percent food 38 waste.

p. 2 HB 2713

NEW SECTION. Sec. 4. (1) The department of agriculture must establish and implement a three-year compost reimbursement pilot program to reimburse farming operations in the state for purchasing and using compost products, including transportation, equipment, spreading, and labor costs. The pilot program begins July 1, 2020, and concludes June 30, 2023. For purposes of this program, "farming operation" means: A commercial agricultural, silvicultural, or aquacultural facility or pursuit, including the care and production of livestock and livestock products, poultry and poultry products, apiary products, and plant and animal production for nonfood uses; the planting, cultivating, harvesting, and processing of crops; and the farming or ranching of any plant or animal species in a controlled salt, brackish, or freshwater environment.

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- (2) The department of agriculture must create a form for eligible farming operations to apply for cost reimbursement. All applications for cost reimbursement must be submitted on the form along with documentation of the costs of purchasing and using compost products for which the applicant is requesting reimbursement. The department of agriculture may request that an applicant provide information to verify the size, sale weight, or amount of compost products purchased and the cost of transportation, equipment, spreading, and labor. The applicant must also declare that it is not seeking reimbursement for compost products that it has transferred, or intends to transfer, to another individual or entity, whether or not for compensation.
- 25 (3) A farming operation may submit only one application for purchases made and usage costs incurred during the fiscal year that 27 begins on July 1st and ends on June 30th of each year in which the 28 pilot program is in effect. Applications for reimbursement must be filed:
- 30 (a) By September 1, 2021, for compost purchased and usage costs 31 incurred in fiscal year 2021;
- 32 (b) By September 1, 2022, for compost purchased and usage costs 33 incurred in fiscal year 2022; and
- 34 (c) By September 1, 2023, for compost purchased and usage costs 35 incurred in fiscal year 2023.
- 36 (4) The department of agriculture must distribute reimbursement 37 funds on a first-come, first-served basis, subject to the following 38 limitations:
- 39 (a) No farming operation may receive more than fifty percent of 40 the costs it has incurred for the purchase and use of compost

p. 3 HB 2713

1 products, including transportation, equipment, spreading, and labor 2 costs;

- 3 (b) No farming operation may receive more than fifty thousand 4 dollars per year; and
  - (c) No farming operation may receive reimbursement for compost products that it has transferred, or intends to transfer, to another individual or entity, whether or not for compensation.
  - (5) The applicant shall indemnify and hold harmless the state and its officers, agents, and employees from all claims arising out of or resulting from the compost products purchased that are subject to the compost reimbursement pilot program under this section.
  - (6) There is established within the department of agriculture a compost reimbursement pilot program manager position, which is a full-time, temporary position exempt from chapters 41.06 and 41.56 RCW, with a salary that may not exceed fifty thousand dollars per year. The compost reimbursement pilot program manager must possess knowledge and expertise in the area of program management necessary to carry out the duties of the position, which are to:
- 19 (a) Facilitate the division and distribution of available costs 20 for reimbursement; and
- 21 (b) Manage the day-to-day coordination of the compost 22 reimbursement pilot program.
- 23 (7) Any action taken by the department of agriculture pursuant to 24 this section is exempt from the rule-making requirements of chapter 25 34.05 RCW.
- 26 (8) This section expires December 31, 2023.

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p. 4 HB 2713