

HOUSE BILL REPORT

SB 5895

As Reported by House Committee On:
Capital Budget

Title: An act relating to timing restrictions for remedial action grants to local government.

Brief Description: Concerning timing restrictions for remedial action grants to local government.

Sponsors: Senators Frockt and Mullet.

Brief History:

Committee Activity:

Capital Budget: 2/24/22, 2/25/22 [DP].

Brief Summary of Bill

- Removes the requirement that local governments must obtain all required permits within one year of the effective date of the enacted budget to receive grants or loans for a remedial action.

HOUSE COMMITTEE ON CAPITAL BUDGET

Majority Report: Do pass. Signed by 21 members: Representatives Tharinger, Chair; Callan, Vice Chair; Hackney, Vice Chair; Steele, Ranking Minority Member; Abbarno, Assistant Ranking Minority Member; McEntire, Assistant Ranking Minority Member; Bateman, Dye, Eslick, Gilday, Kloba, Kraft, Leavitt, MacEwen, Mosbrucker, Riccelli, Rule, Santos, Sells, Shewmake and Volz.

Staff: Richelle Geiger (786-7139).

Background:

Hazardous Waste.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

The Department of Ecology (Ecology) is the state agency responsible for the prevention and cleanup of toxic leaks and spills that threaten the health of people and the environment. Toxic and hazardous materials include arsenic, petroleum, dioxins, and other substances that contaminate soil and water.

Model Toxics Control Act.

The Model Toxics Control Act (MTCA), enacted by voters in 1989, established Washington's environmental cleanup law. The MTCA directs the investigation, cleanup, and prevention of sites that are contaminated by hazardous substances. The MTCA is funded through a tax on hazardous substances, cost recovery from potentially liable persons, penalties under the MTCA law, and other funding authorized by the Legislature for cleanup projects.

Remedial Action Grants and Loans.

Ecology administers the Remedial Action Grant and Loan Program to provide grants and loans to local governments for remedial actions, including planning for the reuse of contaminated properties. Every even-numbered year, Ecology consults with local governments to understand the 10-year cost of critical cleanup projects in Washington. The estimates inform Ecology's biennial budget request to the Governor and Legislature. Local governments must obtain all required permits for the remedial action within one year of the effective date of the enacted budget to receive a grant or loan.

Summary of Bill:

The requirement that local governments must obtain all required permits for a remedial action within one year of the effective date of the enacted budget to receive grants or loans for a remedial action is removed.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) When the Model Toxics Control Act was reformed in 2018, a provision was added requiring local governments to obtain all necessary permits for toxic cleanup projects within one year of the biennial state capital budget to qualify for a remedial action grant or loan. The intent was to expedite cleanup work; however, the requirement has had the

opposite impact. To encourage cleanup projects, funding needs to be stable and reliable, especially during the construction phase.

Of the 31 projects funded in the 2021-23 Capital Budget, 15 are at risk of losing remedial action grant funding due to permit delays. Nearshore cleanup projects require multiple federal permits, which take longer than a year to procure. Because of this, nearshore cleanup projects are losing out on remedial action grant funding. If the permit timing issue is not addressed, projects will be doomed to continue this cycle.

Cleanup projects are critical to restore sensitive ecological sites and salmon habitat, enable public access, and put contaminated land back into productive economic use. Currently, there are more than 13,000 toxic sites across the state that are in need of cleaning up. Remedial action funding leverages local and federal match dollars to complete these important cleanup projects across the state.

(Opposed) None.

Persons Testifying: Sean Eagan, Port of Tacoma; Michael Feldcamp, Washington State Department of Ecology; James Thompson, Washington Public Ports Association; Adam LeMieux, Port of Everett; and Mike Hogan, Port of Bellingham.

Persons Signed In To Testify But Not Testifying: None.