

SENATE BILL REPORT

SB 5703

As of February 24, 2025

Title: An act relating to fair treatment of municipal solid waste systems.

Brief Description: Concerning fair treatment of municipal solid waste systems.

Sponsors: Senators Holy, Riccelli, Short, Christian, Fortunato, Lovelett and Nobles.

Brief History:

Committee Activity: Local Government: 2/17/25, 2/20/25 [DP-WM].

Ways & Means: 2/26/25.

Brief Summary of Bill

- Removes waste-to-energy facilities, utilized by a county or city Solid Waste Management Program, from covered entity status under the Cap-and-Invest Program.
- Exempts emissions from a waste-to-energy facility, used by a county and city Solid Waste Management Program and permitted to receive solid waste before 1992, from coverage under the Cap-and-Invest Program.

SENATE COMMITTEE ON LOCAL GOVERNMENT

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

Signed by Senators Salomon, Chair; Lovelett, Vice Chair; Torres, Ranking Member; Bateman and Goehner.

Staff: Rohan Bhattacharjee (786-7534)

SENATE COMMITTEE ON WAYS & MEANS

Staff: Michael Bezanson (786-7449)

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.

Background: Cap-and-Invest Program. In 2021, the Legislature directed the Department of Ecology to implement a Cap-and-Invest Program (Program), under the Climate Commitment Act, which is a market-based program to reduce greenhouse gas (GHG) emissions consistent with the statewide statutory emissions limits.

Covered Entities. Beginning on January 1, 2023, the Program covers industrial facilities, certain fuel suppliers, in-state electricity generators, electricity importers, natural gas distributors, and effective January 1, 2027, waste to energy facilities utilized by a county and city Solid Waste Management Program, with annual GHG emissions above 25,000 metric tons of carbon dioxide equivalent. Covered entities must either reduce their emissions, obtain allowances, or purchase offset credits to cover any remaining emissions. The total number of allowances will decrease over time to meet statutory limits.

Exemptions. Emissions exempt from coverage under the Program include, among others, emissions from combustion of aviation fuels, certain coal-fired electric generation facilities, combustion of biomass or biofuels, motor vehicle fuel or special fuel used for agricultural purposes, and municipal solid waste landfills that are subject to methane emissions regulations.

Summary of Bill: A waste to energy facility utilized by a county and city Solid Waste Management Program is not a covered entity under the Program.

Emissions from a waste to energy facility utilized by a county and city Solid Waste Management Program permitted to receive solid waste before 1992 is exempt from coverage under the Program.

Appropriation: None.

Fiscal Note: Requested on February 15, 2025.

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 (Local Government): PRO: Spokane's Waste-to-Energy (WTE) facility is the only municipal solid waste disposal system subject to Climate Commitment Act (CCA) penalties, projected to cost residents \$8 million annually starting in 2027. Landfills were exempted from the CCA in 2022, despite producing more greenhouse gases compared to Spokane's WTE facility. This creates an unfair financial burden on Spokane residents. A Washington Department of Ecology study confirmed that Spokane's WTE facility emits fewer greenhouse gases than landfills. If the facility were to shut down, waste would need to be trucked to landfills in rural counties, increasing emissions and environmental justice concerns. The WTE facility was built in 1991 to replace leaking landfills. The WTE facility generates renewable electricity while reducing

waste volume by 90 percent and weight by 75 percent. The facility diverts 9000 tons of metal annually and operates an exceptional recycling program removing 3000 tons of glass each year. About half of the county's waste goes to the WTE plant, and without relief, the economic viability of the system is at risk.

OTHER: Burning garbage emits 1.5 times more CO₂ per kilowatt-hour than coal and three times more than natural gas. A phased compliance plan is preferred rather than a full exemption. Landfills were removed from the CCA in 2022 because they became subject to new methane capture regulations. WTE facilities, however, are not subject to equivalent methane regulations, meaning exempting them from the CCA could undermine Washington's ability to meet climate goals.

Persons Testifying (Local Government): PRO: Kara Odegard, Measure Meant; Mayor Lisa Brown, City of Spokane; Paul Dillon, Spokane City Council President Pro-Tem; James Tieken, AFSCME Local 270 Spokane City Employees; Chris Jordan, Spokane County Commissioners; Llyn Doremus; Edwin "Larry" Andrews II, Andrews Mechanical, Inc.; KYLE TWOHIG, Spokane County.

OTHER: Joel Creswell, Washington State Department of Ecology; Suellen Mele, 350 WA Civic Action Team; Marcus Riccelli, Washington State Senate.

Persons Signed In To Testify But Not Testifying (Local Government): No one.