

# SENATE BILL REPORT

## SB 5703

---

---

As of February 26, 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 CO<sub>2</sub> 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.

**Staff Summary of Public Testimony (Ways & Means):** PRO: Spokane has a waste-to-energy facility built over thirty years ago, with state support, to prevent the landfill leachate from contaminating the aquifer. We are asking for time and relief from imposing these carbon credits on our residents. These will make our rates go up. We are working with a company to help capture these emissions and need time to find a cost-effective solution. There are environmental and social justice reasons to support this bill. Singling out Spokane as the only solid waste system that's subject to the CCA and increase rates for families already struggling is not fair. We have some of the highest poverty rates in Washington State. The solution here is to treat Spokane just like the other landfills under the CCA.

CON: We are concerned anytime a polluting facility is seeking an exemption to a foundational environmental law. The Spokane facility is not yet a covered entity under the CCA and it will be at the second compliance period of the law. There's uncertainty about what the cost impacts will be. There are existing provisions in the CCA law that may also address the underlying concerns driving this bill. But a full exemption under the law is not the right approach. The facility's pollution impact, including burning plastics and traffic-related emissions, exacerbates local environmental health disparities especially for communities downwind. The city has had decades to address the issue, and full exemption from the CCA is not the right solution.

**Persons Testifying (Ways & Means):** PRO: Mayor Lisa Brown, City of Spokane; Betsy Wilkerson, Spokane City Council President; James Tieken, AFSCME Local 270, Spokane

City Employees.

CON: Darcy Nonemacher, Washington Conservation Action; W Thomas Soeldner, Sierra Club Upper Columbia River Group.

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