

SENATE BILL REPORT

SB 6570

As of February 2, 2016

Title: An act relating to prioritizing the expenditure of funds associated with the model toxics control act for the cleanup of toxic pollution.

Brief Description: Prioritizing the expenditure of funds associated with the model toxics control act for the cleanup of toxic pollution.

Sponsors: Senator Ericksen.

Brief History:

Committee Activity: Energy, Environment & Telecommunications: 2/02/16.

SENATE COMMITTEE ON ENERGY, ENVIRONMENT & TELECOMMUNICATIONS

Staff: Jan Odano (786-7486)

Background: The state Model Toxics Control Act (MTCA) is carried out by the Department of Ecology (Ecology) to ensure that the sites at which hazardous substances are released are cleaned up. Ecology is responsible for investigating, conducting remedial actions, enforcing actions to protect human health, and providing technical and administrative assistance. Ecology must prioritize funding to clean up hazardous waste sites and prevent future hazardous waste sites. Hazardous waste sites are ranked by consideration of the amount and type of contamination, the risk that contamination will spread, and routes of exposure. Sites are considered a higher priority when the contamination threatens drinking water supplies, exists in high quantity or over a large area, is toxic to animals or fish, may affect a body of water, or affects public health.

MTCA is funded by a 0.7 percent tax on the wholesale value of hazardous substances; cost recovery from remedial actions; mixed waste fees; and - to a lesser extent - fines, penalties, and other charges. The State Toxic Control Account (STCA) receives 56 percent of the revenue obtained from the hazardous substance tax (HST), and 44 percent is deposited into the Local Toxic Control Account (LTCA). Once \$140 million of the HST is distributed to STCA and LTCA, the remainder collected must be deposited into the Environmental Legacy Stewardship Account (ELSA).

STCA funds activities such as hazardous waste cleanup and solid waste programs; assisting potentially liable persons to pay for the costs of remedial action; stormwater pollution control

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projects; the oil and hazardous materials spill prevention and preparedness program; water and environmental health protection and monitoring programs; a public participation program; and air quality programs for reducing public exposure to toxic air pollution.

The use of LTCA funds are prioritized for:

- extended grant agreements;
- remedial actions;
- certain stormwater pollution source projects;
- hazardous waste plans and programs;
- solid waste plans and programs;
- petroleum-based plastic or expanded polystyrene foam debris clean-up activities in fresh or marine waters; and
- appropriations to STCA or ELSA when priorities for spending exceed available funds in those accounts.

ELSA funds have been designated for activities such as:

- grants or loans to local governments for performance and outcome-based projects, model remedies, demonstration projects, procedures, contracts, and project management and oversight that result in significant reductions in the time to complete compared to baseline averages;
- STCA and LTCA activities;
- grants or loans to fund design and construction of low-impact development retrofit projects and projects that reduce stormwater pollution from existing infrastructure; and
- cleanup and disposal of hazardous substances from abandoned or derelict vessels.

ELSA funds have also been used for shoreline update technical assistance and for local government shoreline master program update grants; solid and hazardous waste compliance at the Department of Corrections; activities at the Department of Fish and Wildlife concerning water quality monitoring, hatchery water quality regulatory compliance, and technical assistance to local governments on growth management and shoreline management; and forest practices regulation and aquatic land investigation and clean-up activities at the Department of Natural Resources.

Since October 2014, HST revenues have been below amounts forecasted primarily due to declining and volatile oil prices. According to Ecology, between the May 2015 revenue forecast and October 2015, the actual and projected HST revenue dropped by \$60 million.

Summary of Bill: The bill as referred to committee not considered.

Summary of Bill (Proposed Substitute): Changes are made to the 2015-2017 Operating Budget relating to funds in STCA, LTCA and ELSA.

- Funds allocated for Public Participation Grants are suspended for the 2015-2017 fiscal biennium.
- Funding is reduced for the Waste to Resources program and for grants for managing stormwater pollution, and shoreline master program.

Changes are made to the 2015-2017 Capital Budget by providing 50 percent of the appropriations for:

- reducing toxic diesel emissions to \$500,000; and
- reducing toxic woodstove emissions to \$1 million.

In addition, the following funding shifts are made:

- \$2.4 million of MTCA costs in the Water Quality Program to the Water Quality Permit Account; and
- \$700,000 of MTCA costs in the Air Quality program to the Air Pollution Control Account.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: The bill contains an emergency clause and takes effect immediately.