



DEPARTMENT OF  
**ECOLOGY**  
State of Washington

# **Model Toxics Control Accounts**

## **Ten-Year Financing Report**

### **2014 Report**

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*Toxics Cleanup Program*

January 2015  
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## **Ten-Year Financing Report**

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*Toxics Cleanup Program*

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Washington State Department of Ecology  
Olympia, Washington

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# Acknowledgments

The impact to our land and water resources due to past industrial practices, waste disposal methods, and unintentional spills is significant. The cleanup of this contamination benefits our state and helps protect Washington's citizens and environment. As Program Manager of Ecology's Toxics Cleanup Program, it is my privilege to lead the dedicated team of professionals involved in the cleanup process. These individuals, working closely with local governments, are making the restoration of our land and water resources a reality.

The Model Toxics Control Act (MTCA) is the basis for cleanup work in Washington. Much has been accomplished in the twenty-five years since its passage, yet much work remains. The Ten-Year Financing Report helps us focus attention on the remaining work to be done. This report incorporates expenditures from the previous biennium to help update the ten-year forecast. It not only identifies funding needs for cleanups that can reasonably be conducted over the next ten years, it spotlights the amount of cleanup that still needs to be done.

Every one of our TCP staff members — from cleanup managers to supervisors, database coordinators, fiscal, policy, and administrative staff — plays a critical role toward this cleanup effort. My thanks go to the staff who worked on this report, and especially to the TCP regional managers and local governments who produced the project lists and ten-year cost estimates.

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## Summary

In 1988, Washington voters passed Initiative 97, the Model Toxics Control Act (MTCA). The act cites its main purpose as raising “sufficient funds to clean up all hazardous waste sites and to prevent the creation of future hazards due to improper disposal of toxic wastes into the state’s lands and waters.” To do this work, voters authorized a tax on hazardous materials, including petroleum products, pesticides, and some chemicals.

Over the last 25 years, the Department of Ecology (Ecology) has identified nearly 12,000 sites in Washington that have confirmed or suspected contamination. As of July 2014, Washington has made tremendous progress: more than 6,200 sites have been cleaned up and/or determined to require no further action.<sup>1</sup>

Much cleanup work remains to be completed. There are still more than 5,400 sites that require further investigation and cleanup. Site owners or the state are currently performing work at more than 3,660 of these sites. There are roughly 1,800 sites where investigations and cleanups have not been started, while on average, 200 to 300 new sites are reported to Ecology each year.

This creates significant public funding responsibilities, because approximately 20 percent of Washington’s contaminated sites are publicly owned. Public funding is also often required for privately-owned orphaned and abandoned sites, as well as those with non-compliant owners or emergency cleanup needs.

## Ten-Year Financing Report

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MTCA requires Ecology to work with local governments to prepare a comprehensive Ten-Year Financing Report that identifies long-term remedial action project costs, tracks expenses and projects future needs (RCW 70.105D.030 (3) and (5)). The Washington Legislature revised the report requirements in 2013<sup>2</sup>. The report must now include information on:

- Projected biennial hazardous waste site remedial action needs that are eligible for funding from the State Toxics Control Account (STCA), Local Toxics Control Account (LTCA) and the Environmental Legacy Stewardship Account (ELSA).
- Projected costs, revenue and any recommended working capital reserves.

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<sup>1</sup> In previous financing reports, this number included approximately 2,400 sites that had been independently reported by private parties as “Cleanup Complete.” As of 2014, Ecology has reviewed and transferred these sites to a status of “No Further Action” or “Cleanup Started.” This step reduced the number of completed cleanups when compared to previous reports, but will provide more accurate reporting going forward.

<sup>2</sup> Ecology’s previous ten-year financing reports consolidated information from several Ecology programs and included chapters on cleanup, toxics prevention, waste management and stormwater. In response to the 2013 changes to the MTCA statute, the 2014 report focuses on ten-year projections of site cleanup needs.

- Projected remedial action needs for orphaned, abandoned, and other cleanup sites that are eligible for funding from STCA.
- A ranked list of such remedial action projects for each account.
- Separate budget estimates for large, multi-biennia cleanup projects that exceed \$10 million, including information on the anticipated private and public funding obligations for completion of these large projects.

## **Hazardous Substance Tax Revenue Forecasts and Working Capital Reserves**

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The three Toxics Control Accounts are funded primarily by revenue from the Hazardous Substance Tax (HST) collected by the Department of Revenue. Revenues are deposited in STCA and LTCA up to a combined limit of \$280 million per biennium. Revenues exceeding \$280 million each biennium are deposited in ELSA. As of June 2014:<sup>3</sup>

- The Department of Revenue forecasts that HST revenues will grow from approximately \$400 million during the 2015-17 biennium to approximately \$525 million through the 2021-23 biennium.
- STCA and LTCA combined funding levels are projected to remain at \$280 million per biennium.
- ELSA funding levels are projected to grow from approximately \$134.6 million in the 2015-17 biennium to more than \$244 million by the 2021-23 biennium (Table 1, p. 15).
- HST revenue can be volatile. Working capital reserves are intended to cover fluctuations in cash flow. The working capital reserves are \$3.0 million each for STCA and LTCA; for ELSA it is \$2.9 million.

➤ *HST revenues forecasts and working capital reserves are addressed in greater detail in Chapter 2.*

## **January 2015 Update (1 of 2): Governor Inslee's 2015-17 LTCA Working Capital Reserve Assumptions Changed**

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- The working capital reserves for the Local Toxics Control Account (LTCA) are reported here as \$3 million. However, Governor Inslee's budget recommendation reduced that reserve to \$1.0 million.

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<sup>3</sup> Source: Department of Revenue Non-General Fund Tax Sources – Environmental/Habitat Taxes, June 2014 Revenue Forecast

## **January 2015 Update (2 of 2): Fall 2014 Drop in Petroleum Prices Expected to Impact Future HST Forecasts and Collections**

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This report and Ecology's 2015-17 biennial budget request to the Governor were based on the June 2014 HST forecast. Since that time, the price of crude oil (according to the Brent Crude Oil index) has dropped from an average of \$107 per barrel in July 2014 to \$53 per barrel in early January 2015. This significant price drop may result in revenue collections decreasing in the MTCA accounts, and should be closely monitored and considered in the coming months before the final budget is enacted.

- *These changes, while significant for the Legislature to consider in its 2015-17 biennial budget decisions, do not alter the substance or utility of the information provided in this report.*

## **Local Government Remedial Action Grant Financing Needs**

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LTCA and ELSA are used to fund studies and cleanup actions at sites that are owned or operated by local governments. This work, collectively known as the Remedial Action Grant Program (RAG), is comprised of several grant programs: Oversight Remedial Action (which are the majority of grants), Site Assessment, Independent Remedial Action, Integrated Planning, and Area-wide Groundwater.

Ecology worked with local governments to identify projects at locally-owned sites that could reasonably undergo remedial actions over the next ten years (Table 2, p. 45). These projects have been ranked high, medium, or low to reflect the relative priority for funding during the 2015-2017 biennium. Toxics Cleanup Program (TCP) managers used several criteria to prepare these rankings, including TCP's understanding of the risk to human health and the environment, land re-use potential and the project's readiness to proceed.

## **Ten-Year Financing Estimates for LTCA and ELSA Funding**

Ecology estimates that nearly \$1.7 billion will be required to support work at locally-owned cleanup sites over the next ten years. This estimate is adjusted for inflation. See Table 2, p. 45.

- Ecology and local governments identified 109 locally-owned, cleanup projects for the ten-year period. The agencies estimate that approximately \$1.3 billion will be required to complete these projects over the next ten years.
  - Ecology estimates that at least \$816 million will be needed to cover the state share of these cleanup costs. This amount includes approximately \$645 million for the 109 cleanup projects, and \$172 million in funding placeholders to address the potential discovery of new, locally-owned contaminated sites. Local agencies will be responsible for the remaining amount of these cleanup costs.
  - Estimated project costs range from \$24,000 for Port of Anacortes' Cap Sante Marine cleanup in the 2015-17 biennium, to \$293 million for the Port of Seattle's Lower Duwamish Waterway project over the next ten years. This range illustrates the diversity in size and complexity of cleanups that will require LTCA

or ELSA funding, that are being conducted by local governments and TCP. This range, however, does not encompass the entire cost estimate of large cleanups (such as the Lower Duwamish Waterway) that will include multiple components and a combination of LTCA, STCA, ELSA, federal, and other funds to complete.

- Ecology also estimates that \$38.1 million will be required to fund four additional statewide grant programs over the next ten years. These four grant programs are: site assessment grants to local health districts; integrated planning grants; area-wide groundwater grants; and reimbursement of independent remedial actions conducted at publicly-owned sites (i.e., voluntary cleanup projects). The majority of these grants are 100 percent state-funded.
- Ecology estimates that \$3.4 million will be required to administer the Remedial Action Grant program over the next ten years. This represents less than 1 percent of the grant program costs (0.08 percent) from the capital budget appropriation.
- Approximately 70 percent of the projected remedial action grant costs are associated with highly ranked sites (Federal Superfund sites and #1 or #2 ranked state sites).
- The projected 2014 ten-year total cost estimate for locally-owned sites (nearly \$1.7 billion) is lower than the 2012 cost estimate (\$2.1 billion). The reduced cost estimate reflects two key differences between the two ten-year financing reports: (1) the 2012 report identified \$690 million in funding needs for future biennia beyond its ten-year period of 2013-23; the 2014 report does not include funding projections beyond the 2015-2025 time period; and (2) the 2014 cost estimates for projects related to the Lower Duwamish Waterway Superfund site are lower than 2012 cost projections that were prepared prior to the release of the Environmental Protection Agency's (EPA) proposed cleanup plan in late 2013.

The sites and projects identified in this report represent only a fraction of locally-owned contaminated sites in Washington that are expected to need public funding in the future. Funding needs will also continue to expand as new sites are discovered.

### **2015-17 Biennium Budget Request for LTCA and ELSA Funding**

Ecology's budget request for the 2015-17 biennium includes \$75 million to cover the state share of cleanup costs for 40 projects at locally-owned sites, 4 statewide grant programs, and grant management. See Table 2 Summary, p. 48

- The budget request includes approximately \$67 million for work at 40 of the locally-owned sites identified in this plan.
- The budget request includes \$7 million for 4 statewide grant programs.
- The budget request includes \$620,000 for grant management.

➤ *Local government remedial action needs are addressed in greater detail in Chapter 4.*

## **State-Directed Work Financing Needs**

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STCA and ELSA are used to fund several types of remedial actions: (1) state-directed investigations and cleanup at orphaned or abandoned properties; (2) state cost-share at Federal Superfund sites where EPA is performing the cleanup action; (3) emergency removals and cleanup actions; and (4) state-wide actions to support investigations and cleanup of multiple sites.

Ecology identified 74 state-directed projects that could reasonably be conducted over the next ten years (Table 3, p. 49). The projects have been ranked high, medium, or low, in terms of relative priority for funding during the 2015-17 biennium. TCP managers prepared these rankings using several criteria including TCP's understanding of the risk to human health and the environment, land re-use potential and the project's readiness to proceed.

### **Ten-Year Financing Estimates for STCA and ELSA Funding**

Ecology estimates that \$226 million will be required for state-directed projects over the next ten years. This estimate is adjusted for inflation. See Table 3 (p. 49).

- Ecology identified 74 state-directed projects for the ten-year period, which comprise 66 orphaned and abandoned sites and 8 statewide/Puget Sound-wide cleanup projects. The agency estimates that approximately \$116 million will be required to complete this work.
  - Ecology identified 66 orphaned and abandoned sites that could reasonably undergo remedial actions over the next ten years. These sites include state-led cleanup projects and federal Superfund sites where the state is responsible for a portion of the cleanup costs. Ecology estimates that nearly \$93 million will be needed over the next ten years for this state-directed cleanup effort.
  - Ecology identified 8 statewide/Puget Sound-wide projects designed to support investigations and cleanup at multiple sites. Ecology estimates that \$23.6 million will be needed over the next ten years for these actions.
  - Estimated cleanup costs for these projects range from \$50,000 to more than \$8 million per site, which illustrates the diversity of cleanup size and complexity that are being conducted by TCP. This range, however, does not encompass the entire cost estimate of large cleanups (such as the Lower Duwamish Waterway) that will include multiple components and a combination of STCA, LTCA, ELSA, federal, and other funds to complete.
- Ecology estimates that \$10.6 million will be needed for emergency removals and cleanup actions over the next ten years.
- Ecology estimates that about a third of the approximately 1,500 private sites waiting to begin cleanup actions are orphaned and abandoned. The state-directed project list (Table 3) includes funding placeholders of nearly \$99 million over the next ten years for potentially new orphaned and abandoned sites.

The state-directed cleanup work identified in this report represents only a fraction of contaminated sites in Washington that are expected to need state funding in the future. Funding needs will also continue to expand as new sites are discovered.

## 2015-17 Biennium Budget Request for STCA and ELSA Funding

Ecology's budget request for the 2015-17 biennium includes \$47 million to conduct state-directed work for 53 cleanups, 7 statewide/Puget Sound-wide projects, and emergency removals. See Table 3 Summary (p. 50).

- The budget request includes approximately \$40 million for work at 53 of the orphaned and abandoned sites identified in this plan.
- The budget request includes \$4.8 million for 7 of the statewide/Puget Sound-wide projects designed to support investigation and cleanup at multiple sites.
- The budget request includes \$2 million for emergency removals and cleanup actions.

Ecology's 2015-17 biennium budget request of \$47 million in STCA and ELSA funding consists of three components: \$32 million for *Cleanup Toxic Sites—Puget Sound* (also known as the *Puget Sound Initiative* or PSI); \$11 million for *Eastern Washington Clean Sites Initiative* (EW); and \$4 million for Leaking Tank Model Remedies.

➤ *State-directed work funding needs are addressed in greater detail in Chapter 5.*

## Large Multi-Biennia Cleanup Projects Financing Needs

RCW 70.105D.030 (5)(d) requires Ecology to provide separate budget estimates for large, multi-biennia clean-up projects that exceed \$10 million dollars. Ecology and local governments identified 19 projects with estimated costs greater than \$10 million (Table 4, p. 51). The agencies estimate that approximately \$1.1 billion will be needed for these projects over the next ten years. This estimate is adjusted for inflation.

- Estimated project costs range from \$10 million for sites at the Ports of Tacoma and Longview, to more than \$461 million for multiple projects related to the Lower Duwamish Waterway Superfund site (LDW) in Seattle. The \$461 million figure includes LDW projects identified by the Port of Seattle, City of Seattle, and King County.
- The 2014 cost estimates for the LDW-related projects are lower than 2012 cost estimates for LDW-related projects which exceeded \$650 million. The 2014 cost projections were reduced to reflect EPA's proposed cleanup actions that were published in late 2013.
- Approximately 90 percent of the projected costs for large projects are associated with highly-ranked sites (Federal Superfund sites and #1 or #2 ranked state sites).

➤ *Large, multi-biennia projects—a subset of projects identified for LTCA, STCA and ELSA funding—are discussed in greater detail in Chapter 6.*



## **Working in Partnership Yields Results**

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TCP worked closely with local governments and other agencies to coordinate information and data for the 2014 Ten-Year Financing Report. This effort aligned with Governor Jay Inslee's *Results Washington* strategic framework ([www.results.wa.gov/](http://www.results.wa.gov/)) which promotes effective communication and instills transparency in goals, measures, and progress. Ecology is strongly committed to these principles. Through this report and many other avenues, Ecology is working to fulfill the shared responsibility for efficient, effective, and accountable government.

Remedial actions provide many benefits, the most important of which is to help protect Washington's citizens and environment. Remedial actions also help transform blighted shorelines, launch recreational opportunities, and encourage economic development. Continued public funding will be essential as state, local, and federal agencies, private organizations, and individuals work together to achieve these benefits. Cleanup needs will always exceed available public funding, but a comprehensive understanding of cleanup needs will help ensure that the public funds are used as effectively as possible.

## **For More Information**

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The 2014 Ten-Year Financing Report outlines existing funding and estimate future needs for cleanup actions funded by STCA, LTCA, and ELSA. For a more comprehensive understanding of Ecology's core work on toxic cleanup, toxic pollution prevention, and hazardous and solid waste management, please see Ecology's biennial publication, *Budget & Program Overview*. The most recent version was published in December 2013 (Publication Number 13-01-007) and may be found at: <https://fortress.wa.gov/ecy/publications/SummaryPages/1301007.html>

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# **Chapter 1: Introduction**

## **Ecology and the Toxics Cleanup Program**

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The mission of Ecology is to protect, preserve, and enhance Washington’s environment, and promote the wise management of our air, land, and water for the benefit of current and future generations.

The Toxics Cleanup Program (TCP) advances that mission with its own: to protect human health and the environment for the people of Washington by preventing, reducing, or eliminating exposure to contamination, and to support economically and environmentally sustainable communities.

Ecology’s staff and programs strive to protect and conserve our clean air, pure and abundant waters, and the natural beauty of our state. We are committed to protecting both humans and the environment from pollution, to restoring and preserving ecosystems that sustain life, and to meeting human needs without destroying environmental resources and functions.

The Model Toxics Control Act (MTCA) helps us fulfill those obligations.

***Each person has a fundamental and inalienable right to a healthful environment, and each person has a responsibility to preserve and enhance that right. The beneficial stewardship of the land, air, and waters of the state is a solemn obligation of the present generation for the benefit of future generations.***

Model Toxics Control Act, Chapter 70.105D.010(1) RCW

## **Model Toxics Control Act**

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In 1988, Washington citizens passed Initiative 97, which was adopted into law as MTCA on March 1, 1989. The Act’s main purpose is to raise “sufficient funds to clean up all hazardous waste sites and to prevent the creation of future hazards due to improper disposal of toxic wastes into the state’s lands and waters.” To do this critical work, voters authorized the Hazardous Substance Tax (HST) on hazardous materials, including petroleum products, pesticides, and some chemicals.

The law funds a broad range of work for toxic pollution prevention; hazardous and solid waste management; water and environmental health protection and monitoring; and toxic cleanup. Key principles that contributed to the effectiveness of MTCA remain in place today: a) the polluter pays; b) cleanups should be as permanent as possible; c) public participation is crucial; and d) processes demonstrate a bias toward action, permanence, and innovation.

Ecology is one of several state agencies that receive MTCA funds. Ecology's Toxics Cleanup Program is primarily responsible for implementing and enforcing MTCA. TCP provides cleanup oversight, manages hazardous waste site cleanups in the state, and develops the rules and guidance that govern cleanup. TCP also administers grants to local governments to assist with cleanup.

## **Legislative Changes to MTCA in 2007 and 2013**

### **Changes to MTCA**

In 2007, MTCA was amended by the Legislature through Substitute House Bill 1761 (Laws of 2007, Chapter 446). One of the changes required Ecology to prepare comprehensive biennial reports projecting cleanup expenditures over the subsequent ten years. (RCW 70.105D.030(3) and (5)).

In 2013, MTCA was further amended by the Legislature in Second Engrossed Second Substitute Senate Bill 5296 (Chapter 1, Laws of 2013 2<sup>nd</sup> Special Session) and House Bill 2079 (Chapter 28, Laws of 2013 2<sup>nd</sup> Special Session). Among other changes to RCW 70.105D, the legislation:

- Introduced the concept of “brownfields” into MTCA, which are previously developed properties that are currently abandoned or underused because of historic contamination.
- Allowed for extended grant agreements with local governments for long-term remediation projects that exceed \$20 million.
- Altered how HST revenues are distributed.
- Created the Environmental Legacy Stewardship Account—a new account to which HST revenues can be directed—and specified the account's uses.
- Expanded Ecology's reporting requirements, and
- Directed Ecology to:
  - Develop new tools to speed cleanups (such as model remedies) for lower risk sites;
  - Focus state and local resources (such as brownfields renewal authorities and redevelopment opportunity zones, or ROZ); and
  - Adopt a cash management approach to managing the MTCA accounts, allowing for short-term accelerated use of MTCA funds.

## Changes to Ecology's Reporting Requirements

Ecology's reporting requirements expanded with the 2013 Legislative changes to MTCA [RCW 70.105D.030(1)]:

- MTCA Ten-Year Financing Report (biennial, due September 20, even-numbered years)<sup>4</sup>
- MTCA Biennial Report (replaces the Annual Report; biennial, due December 1, odd-numbered years)
- Brownfield Redevelopment Trust Fund Account Reporting (biennial, due October 31, odd-numbered years)
- Voluntary Cleanup Program Report (one-time, due November 1, 2015)
- Model Remedy Report (one time, due November 1, 2016)

## Ecology's Two MTCA Financial Reports

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### MTCA Ten-Year Financing Report

RCW 70.105D.030(3) and (5) require Ecology to develop a Ten-Year Financing Report each even-numbered year to identify projected costs of remedial actions. Produced in cooperation with local governments that have cleanup responsibilities, the Ten-Year Financing Report identifies long-term remedial action estimated costs and projects future needs.

In 2013, RCW 70.105D.030(5)(a) further clarified that the Ten-Year Financing Report concentrate on "...hazardous waste site remedial action needs that are eligible for funding from the State Toxics Control Account [STCA], Local Toxics Control Account [LTCA], and the Environmental Legacy Stewardship Account [ELSA]."

Before September 20<sup>th</sup> of each even-numbered year, Ecology shall:

- (a) Develop a comprehensive ten-year financing report in coordination with all local governments with clean-up responsibilities that identifies the projected biennial hazardous waste site remedial action needs that are eligible for funding from the state and local toxics control account [STCA and LTCA] and the environmental legacy stewardship account [ELSA];
- (b) Work with local governments to develop working capital reserves to be incorporated in the ten-year financing report;
- (c) Identify the projected remedial action needs for orphaned, abandoned, and other clean-up sites that are eligible for funding from STCA [or ELSA<sup>5</sup>];

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<sup>4</sup> The Ten-Year Financing Report was already required by MTCA amendments (HB 1761) passed in the 2007 legislative session, but minor amendments changed its content requirements in the 2013 legislation.

<sup>5</sup> ELSA has been added as an account in addition to STCA and LTCA, yet some references were left as "both."

(d) Project the remedial action need, cost, revenue, and any recommended working capital reserve estimate to the next biennium's long-term remedial action needs from [LTCA, STCA, or ELSA] and submit this information to the appropriate standing fiscal and environmental committees of the senate and house of representatives. This submittal must also include a ranked list of such remedial action projects for both accounts.<sup>6</sup> The submittal must also identify separate budget estimates for large, multibiennia clean-up projects that exceed ten million dollars. The department shall prepare its ten-year capital budget plan that is submitted to the office of financial management to reflect the separate budget estimates for these large clean-up projects and include information on the anticipated private and public funding obligations for completion of the relevant projects.

This is the fourth MTCA Ten-Year Financing Report. The reports may be found here:

- 2008: <https://fortress.wa.gov/ecy/publications/summarypages/0801044.html>
- 2010: <https://fortress.wa.gov/ecy/publications/summarypages/1109045.html>
- 2012: <https://fortress.wa.gov/ecy/publications/SummaryPages/1309045.html>
- 2014: <https://fortress.wa.gov/ecy/publications/SummaryPages/1409055.html>

## **MTCA Biennial Report**

RCW 70.105D.030(6) directs Ecology to produce a Biennial Report each odd-numbered year. The report describes Ecology's activities that are supported by appropriations from STCA, LTCA, and ELSA. The biennial report outlines the statewide and local progress made in cleaning up hazardous waste sites. It contains descriptions of known hazardous waste sites, their hazard ranking, and summary of expenditures for each site.

In 2013, the Biennial Report replaced the Annual Report, which had been produced since 1986. Ecology's biennial reports are now provided to the Legislature and public by December 1<sup>st</sup> of each odd-numbered year.

Ecology's MTCA Annual Reports (1986-2012) and first Biennial Report (2013) may be found here: [http://www.ecy.wa.gov/programs/tcp/MTCA\\_AnnualReport/annualRpt.html](http://www.ecy.wa.gov/programs/tcp/MTCA_AnnualReport/annualRpt.html)

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<sup>6</sup> ELSA has been added as an account in addition to STCA and LTCA, yet some references were left as "both."

## **Assumptions in the 2014 MTCA Ten-Year Financing Report**

- The 2014 Ten-Year Financing Report identifies the projected costs of remedial actions on hazardous waste sites across the state for work expected to extend over the next ten years. Projected costs are funded by the three MTCA accounts into which the Hazardous Substance Tax (HST) is deposited: STCA, LTCA and ELSA.
- Deposits into STCA, LTCA, and ELSA are estimated using the Washington State Department of Revenue’s June 2014 projected revenues of the HST. See Chapter 2 for details.
- Information is organized by the MTCA accounts that fund the cleanup efforts:
  - Local government sites being cleaned up under the Remedial Action Grant (RAG) Program are organized by LTCA and ELSA funding sources, in order of relative funding need priority for the 2015-17 biennium. See Chapter 4 for details.
  - State-directed remedial action projects are organized by STCA and ELSA funding sources in order of relative funding need priority for the 2015-17 biennium. See Chapter 5 for details.
  - State-directed sites were formerly reported as *Western or Eastern Washington Clean Sites Initiatives* (EW and CSI) and *Cleanup Toxic Sites—Puget Sound* (also known as the *Puget Sound Initiative* or PSI). The projects’ former initiatives are cross-referenced in Table 3 on p. 49.<sup>7</sup>
- Projects that are estimated to exceed \$10 million in total project costs and expected to occur over multiple biennia are addressed in Chapter 6.
- Maps illustrate LTCA, STCA and ELSA funding needs by county and legislative districts. See Figures 3 through 7 beginning on p. 37.
- In general, quantities in this report have been rounded to the nearest hundred. Dollar amounts have been rounded to the nearest hundred thousand.
- Cleanup actions through the Safe Soils Program<sup>8</sup> are substantially complete and therefore not addressed in this report. If additional cleanup needs are found, they will be addressed in future Ten-Year Financing Reports.

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<sup>7</sup> The 2012 Ten-Year Financing Report organized state-directed work by cleanup initiatives and project location, rather than by MTCA accounts.

<sup>8</sup> The Safe Soils Program discussed in the 2012 Ten-Year Financing Report was funded through STCA. The program was initiated to address cleanup sites outside the Tacoma Smelter plume that were impacted by lead and arsenic. Some of the most extensively affected areas were in Central Washington, where former orchard lands had soil pollution from past use of lead arsenate pesticides. Out of the 118 sites identified and sampled, 39 were schools that needed cleanup actions. As of 2014, those cleanup actions are substantially complete.

- Cost estimates were used for planning purposes and were accurate at the time of this report. Ecology anticipates that these estimates will change as site information is updated throughout the biennium.



## Chapter 2: Hazardous Substance Tax Revenue Forecasts and Working Capital Reserves

### Revenues from the Hazardous Substance Tax

The MTCA accounts are primarily funded by revenue from the HST collected by the Department of Revenue (DOR). The HST is imposed on the first possession in the state of petroleum products, pesticides, and certain chemicals. These hazardous substances are taxed at the rate of 0.70 percent of the wholesale value (\$7 tax per \$1,000 product value). More than 95 percent of the revenue deposited into the MTCA accounts comes from the HST payments. The remainder comprises fees, revenues from cost recovery efforts, fines, and other miscellaneous revenues.

Revenue from the HST can be volatile. Demand and changing oil prices increase or decrease the HST revenue. To sustain funding for long-term needs and mitigate for revenue volatility, it is important to not over-commit the accounts. Historically, this has been accomplished by funding one-time projects (primarily capital projects) and activities at a level to maintain sustainable funding of ongoing activities. Ecology could stop or slow one-time capital projects if revenue decreased, and still fund ongoing work. Recently, capital projects have been budgeted upfront assuming burn rates (spending patterns that extend beyond one biennium). This has allowed the Legislature to appropriate more funds than DOR projects to be collected in a single biennium. However, these full costs from the assumed burn rate are incurred in the following biennium. The biennial budgets for the MTCA accounts are proposed and managed with this assumption already in the fund balance assumptions and in a cash management plan approved by the Office of Financial Management (OFM). This approach lessens Ecology’s ability to manage revenue volatility.

Working capital reserves are a fund balance assumption intended to cover fluctuations in cash flow. Table 1 shows the 2013-15 fund balance and cash flow assumptions for the MTCA accounts, based on the Department of Revenue’s June 2014 forecast. (\*Note: As of January 2015, Governor Inslee’s 2015-17 working capital reserve assumptions reduced the LTCA reserve from \$3.0 million to \$1.0 million):

MTCA Account	Estimated Revenue 2015-17 Biennium	Working Capital Reserves 2015-17 Biennium
<b>State Toxics Control Account</b>	\$156.8 million from HST \$11.7 million from cost recovery efforts & penalties	\$3.0 million
<b>Local Toxics Control Account</b>	\$123.2 million from HST	\$3.0 million*
<b>Environmental Legacy Stewardship Account</b>	\$134.6 million from HST	\$2.9 million

**Table 1: Estimated Revenue in MTCA accounts’ fund balance**

Source: Washington State Department of Ecology & Department of Revenue (June 2014)<sup>9</sup>

<sup>9</sup> Department of Revenue Non-General Fund Tax Sources – Environmental/Habitat Taxes, June 2014 Revenue Forecast

## Distribution of the Hazardous Substance Tax

Changes made to MTCA during the 2013 legislative session (Chapter 1, Laws of 2013 2<sup>nd</sup> Special Session) changed how the HST is distributed across the MTCA accounts:

- 56 percent is directed to STCA (formerly 47 percent).
- 44 percent is directed to LTCA (formerly 53 percent).
- HST distributions to STCA and LTCA combined are capped at \$280 million biennially.
- HST revenues above the \$280 million biennial cap are directed to ELSA.

As of June 2014, HST revenue forecasts beyond the 2015-2017 biennium are shown in Figure 1. As required by legislation, STCA and LTCA combined funding will remain static at \$280 million biennially. Based on the Department of Revenue's June 2014 forecast, ELSA funding is projected to exceed \$244 million by the 2021-2023 biennium.<sup>10</sup>

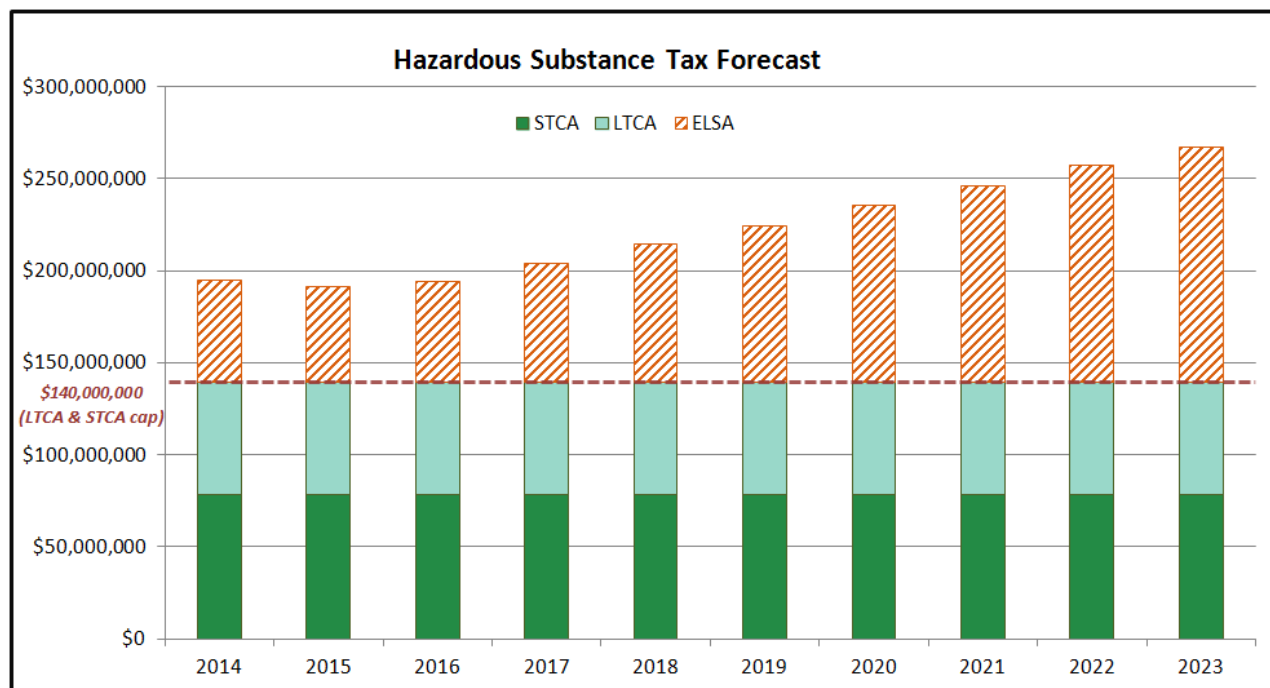


Figure 1. Hazardous Substance Tax Forecast 2014 through 2023

Source: Washington State Department of Ecology & Department of Revenue (June 2014)

However, an example of revenue volatility occurred as this report was being prepared. Petroleum prices dropped in the fall of 2014, which is expected to impact future HST forecasts and collections. The 2014 Ten-Year Financing Report and Ecology's 2015-17 biennial budget request to the Governor were based on the June 2014 HST forecast. Since that time, the price of crude oil (according to the Brent Crude Oil index) dropped from an average of \$107 per barrel in July 2014 to \$53 per barrel in early January 2015. The significant price drop may result in

<sup>10</sup> Department of Revenue Non-General Fund Tax Sources – Environmental/Habitat Taxes as of June 2014

revenue collections decreasing in the MTCA accounts, and should be closely monitored and considered in the coming months before the final budget is enacted.

These recent changes are important for the Legislature to consider during its 2015-17 biennial budget decisions, but do not alter the substance or utility of information provided in this report.

## **Cleanup Efforts Funded by the Hazardous Substance Tax**

Tax revenues directed to STCA can be used for activities defined in RCW 70.105D.070(3):

- Hazardous and solid waste planning, management, regulation, enforcement, technical assistance, and public education
- Hazardous waste cleanup
- State matching funds required under federal cleanup law
- Financial assistance for local programs
- State government programs for the safe reduction, recycling, or disposal of paint and hazardous wastes from households, small businesses, and agriculture
- Oil and hazardous materials spill prevention, preparedness, training and response
- Water and environmental health protection and monitoring programs
- Public participation program
- Public funding to assist potentially liable persons (PLP) to pay for costs of remedial action in compliance with cleanup standards
- Development and demonstration of alternative management technologies designed to carry out the hazardous waste management priorities
- State agriculture and health programs for the safe use, reduction, recycling or disposal of pesticides
- Storm water pollution control projects and activities that protect or preserve existing remedial actions or prevent hazardous cleanup sites
- Funding requirements to maintain receipt of federal funds under the federal solid waste disposal act
- Air quality programs and actions for reducing public exposure to toxic air pollution
- Public funding to assist prospective purchasers to pay for the costs of remedial action in compliance with cleanup standards
- Petroleum-based plastic or expanded polystyrene foam debris cleanup activities in fresh or marine waters.

LTCA funds grants and loans to local governments, including cities, towns, counties, ports, and development authorities. RCW 70.105D.070(4) outlines the grant and loan awards in order of highest priority:

- Extended grant agreements
- Remedial actions:
  - Sites on Ecology’s Hazardous Sites List (HSL) with a high hazard ranking
  - Brownfield properties within a redevelopment opportunity zone (ROZ) if the local government is a prospective purchaser and has an Ecology-approved remedial action work plan or equivalent
- Storm water pollution source projects that work in conjunction with remedial action, protect completed remedial actions against recontamination, or prevent hazardous cleanup sites
- Hazardous waste plans and programs
- Solid waste plans and programs
- Petroleum-based plastic or expanded polystyrene foam debris cleanup activities in fresh or marine waters

ELSA is created in the state treasury and appropriations are outlined in RCW 70.105D.170. Beginning July 1, 2013, and every fiscal year thereafter, the annual amount received from the HST tax that exceeds one hundred forty million dollars must be deposited into ELSA. The state treasurer may make periodic deposits into ELSA based on forecasted revenue. Moneys in the account may be spent only after appropriation.

Generally, ELSA funds may be used for any purposes authorized under STCA and LTCA. Funds may also be used for projects that significantly reduce the time to complete cleanups, that reduce stormwater pollution from existing development, or that remove hazardous substances from derelict vessels, including:

- 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;
- Purposes authorized under RCW 70.105D.070 (3) and (4) (See <http://apps.leg.wa.gov/rcw/default.aspx?cite=70.105D.070>). This allows ELSA to be used for all items authorized under STCA or LTCA;
- Grants or loans awarded through a competitive grant program administered by [Ecology] to fund design and construction of low-impact development retrofit projects and other high quality projects that reduce storm water pollution from existing infrastructure; and
- Cleanup and disposal of hazardous substances from abandoned or derelict vessels.

## **Chapter 3: Remedial Actions and the Ten-Year Financing Plan**

Ecology's goal is to protect human health and the environment by preventing, reducing, or eliminating exposure to contamination, and support the development of environmentally and economically sustainable communities. This report addresses the TCP's ten-year financing plan for conducting remedial actions to clean up contaminated sites.

### **Remedial Actions Remove Hazardous Threats**

Remedial action is the collective planning, investigative, and technical work needed to clean up a site contaminated by hazardous waste. Remedial actions physically remove or mobilize hazardous substances at contaminated sites, keep hazardous substances out, and provide opportunities for habitat restoration, economic development, and public recreation.

A "hazardous waste site" is any site where Ecology has confirmed one or more releases, or identified a threatened release, of a hazardous substance that requires remedial action. Contamination can occur through many pathways, such as leaking tanks at gas stations or dry cleaners; smelter air plumes; or contaminated groundwater plumes. Each site poses a unique level of risk to public health and the environment. Contaminated areas can range in size from several square feet to hundreds of square miles on land, in surface and groundwater, or along our fragile aquatic environments. Soil excavation, in-situ treatment of soil and groundwater, and containment are some of the ways to remove the threat, while long-term monitoring can help prevent future hazards.

### **Funding in Context**

Since the mid-1980s, TCP has identified nearly 12,000 sites in Washington that have confirmed or suspected contamination (Figure 2, p. 20):

- More than 6,200 sites (52 percent) have been cleaned up or require no further action.
- More than 3,660 sites (31 percent) are being cleaned up by the site owner or the state.
- About 200 sites (2 percent) require additional work or monitoring before cleanup is complete.
- Roughly 1,800 sites (15 percent) still need to begin cleanup actions.

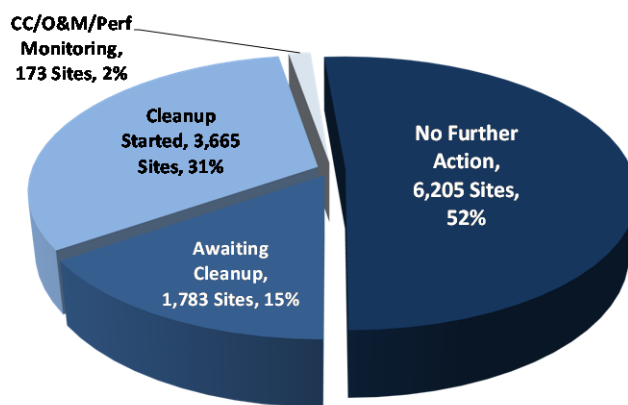
This universe of contamination is not static, however, and continues to expand with the addition of new sites. Since 2000, between 200 and 300 new sites have been reported to Ecology each year, while cleanups are completed at approximately 200 sites each year. Simply put, we have a

growing number of sites that are arriving faster than individual ability, private resources, or public funding can clean them up.<sup>11</sup>

Under MTCA, polluters pay for cleanup. About 80 percent of contaminated sites in Washington are privately owned, and cleanup costs become the owner's responsibility. The remaining 20 percent are publicly-owned, with cleanup costs and timelines the responsibility of local, state, or federal governments. Full or partial state funding will be needed when the state: a) provides remedial action grants and loans to local governments, b) provides cleanup oversight, c) manages orphaned or abandoned properties or sites with non-compliant owners, or d) conducts emergency cleanup needs.

The 2014 Ten-Year Financing Report is an estimate of cleanup costs for projects that may need full or partial funding through LTCA, STCA and ELSA over the next ten years (Tables 2 and 3, pp. 31 and 39). Approximately 90 of these projects are included in Ecology's 2015-2017 biennium capital budget request to the Governor. Yet these lists do not encompass the immensity of Washington's cleanup funding needs, nor the sites yet to be discovered. As TCP continues to work closely with communities, tribes, agencies, and the private sector, more sites will be discovered that will require state funding to begin cleanup actions.

**Status of Washington's Contaminated Sites as of July 2014**  
**All Confirmed and Suspected Contaminated Sites: 11,826**



**Figure 2. Confirmed and suspected sites in Washington as of July 2014<sup>12</sup>**

<sup>11</sup> The majority of new sites that are reported contain "old" or "legacy" pollution, e.g., petroleum from leaking tanks under former gas stations. Most of these new sites are reported by the public; Ecology does not actively seek new sites unless conducting a broad geographic cleanup action, such as area-wide or bay-wide cleanup.

<sup>12</sup> Historically, Ecology has classified sites into three main categories (No Further Action, Cleanup Started, and Awaiting Cleanup.) In recent years, Ecology has also classified sites into several other categories (Construction Complete (CC), Operation and Maintenance (O&M), and Performance Monitoring). For purposes of illustrating historical trends, Ecology has integrated these new categories with the three former categories that had been used to track cleanup progress since the mid-1990s.

## **Additional Challenges Surround Cleanups**

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In addition to the continuous influx of new sites, other challenges surround contaminated site cleanups that Ecology continues to address:

- 1) Long-term financing to pay for large, complex cleanup projects (such as Bellingham Bay);
- 2) Providing brownfields funding for local governments that coincides with construction and rapidly changing real estate development cycles; and
- 3) “Area-wide” contamination that may create new sites, or threaten to re-contaminate sites already cleaned up, especially for complex sites with sediment contamination (such as the Lower Duwamish Waterway area in Seattle).

### **Financing Large Cleanups**

Table 4 (p. 51) identifies large projects for LTCA, STCA or ELSA funding that exceed \$10 million in total estimated project costs. Many of these complex cleanups stretch along our major waterways: Bellingham Bay, Port of Everett, Lower Duwamish Waterway, Commencement Bay, Budd Inlet, and Port of Longview. Other large cleanup sites are located at landfills, transfer stations and former lumber mills located in Yakima, Bellingham, Seattle, and King County.

Marine ports with sediment contamination are expensive to clean up, use the bulk of available LTCA grant funding, and can take years to complete. The current model for financing these longer-term cleanup projects is tied to the state’s biennial funding and expenditure plan. While this model depends on biennial budget decisions by the Legislature, Ecology collaborates with local governments to request funding for the highest priority projects from the Legislature each biennium.

### **Extended Grant Agreements**

In 2013, MTCA was amended by the Legislature to allow Ecology to enter into “extended grant agreements” with local governments for multi-biennial projects costing more than \$20 million. Such projects receive the highest funding priority each biennium during the state’s budget process. This priority provides local governments the highest level of assurance that funds will be available in future biennia as work continues at a site. The assurance enables local governments to commit to long-term cleanups without the state needing to set aside large amounts of grant funds upfront. Granted funds must be substantially expended or contracts awarded each biennium to maintain this priority (RCW 70.105D.070(4)(a)(i) and (e)(i)).

### **Brownfield Cleanup and Redevelopment**

Brownfield cleanup and redevelopment can achieve multiple Washington State policy goals, including economic development, growth management, and environmental protection. Brownfield cleanup and redevelopment is a stated goal in the MTCA statute, but it can be difficult to integrate cleanup decisions with variable real estate development timelines and economics. Recent successful brownfields projects, such as the American Plating site on

Tacoma's Commencement Bay and the Worthen Street Landfill on Wenatchee's Columbia River shoreline, are examples of formerly blighted waterfronts that have been transformed into land suitable for development. Lessons learned at these sites are helping Ecology and local governments work with developers' timelines at other brownfield sites.

## **Area-wide Contamination**

Ecology is gaining an increased understanding of widespread contamination and how to manage it. TCP works with local governments and other constituents to address this type of contamination. Ecology offers area-wide groundwater grants as one tool to investigate area-wide contamination without requiring local governments to be a PLP or seek reimbursement of grant funds from such persons.

Seattle's Lower Duwamish Waterway is an example of both area-wide contamination and potential recontamination. Nonpoint source pollution such as stormwater causes contamination and re-contamination of sites already cleaned up. Controlling the source of pollution is becoming a major focal point in use of funds to prevent site contamination. TCP is working with other Ecology programs to address stormwater pollution.

## **Complex Sites Lead to Longer Cleanups**

A site can take several years to clean up once it has been contaminated with toxic chemicals. The more complex the site, the longer cleanup can take. Three major factors determine the length of time for cleanup: 1) which regulatory process is used (*formal cleanups* where Ecology provides oversight, or *voluntary cleanups*, which are conducted by private parties with limited Ecology oversight); 2) the nature of contaminants; and 3) the type of media (such as air, soil or groundwater). Sites forecasted to take longer are typically those with contaminated surface or groundwater, or contaminated marine sediments.

Ecology makes every attempt to locate PLPs so that remedial actions can begin. TCP then works closely with the PLPs to a) investigate the extent of contamination, b) develop feasible approaches for cleanup, and c) develop plans and conduct the cleanup.

To accomplish this work more efficiently and yield faster cleanups, TCP began an intensive and ongoing evaluation in 2012. The evaluation used Lean strategies and focused on specific actions the program could undertake, especially regarding sites funded through Oversight Grants (also known as "formal sites") through the RAG Program. Identified goals were:

- Decrease the time it takes to remediate a contaminated site;
- Decrease the time it takes to spend RAG Program funds; and
- Provide greater predictability by developing project schedules for studies and cleanup actions that implement MTCA at formal sites (i.e., sites under Ecology oversight).



The following tools and policies have been developed to achieve these cleanup goals, with full implementation scheduled by the end of 2014:

- A workbook (part of a toolkit of reference materials) for TCP Cleanup Project Managers who manage RAG Program-funded sites; the workbook and toolkit are designed to promote consistent management of projects and avoid cleanup delays.
- Tighter document review cycles for faster turnaround (e.g., to reach TCP's target of achieving a site's cleanup within five years, TCP cleanup managers have a 45-day turnaround goal for reviewing key project documents.)
- Online Dashboard/Document Tracker to manage new RAG Program sites (e.g., TCP cleanup managers can more efficiently monitor site deadlines, documents and data.)
- Boilerplates and standardized documents for consistency (e.g., standardized documents will take less time to generate and expedite turnaround for Ecology, local governments, contractors, and other parties.)
- General Standards of Work and checklists for key project meetings to ensure clear communication with all parties involved in the cleanup process.

Over the next biennium, Ecology will measure the success of these new tools and policies by evaluating if sites are meeting cleanup standards faster.

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# **Chapter 4: Local Government Remedial Action Grant Financing Needs**

LTCA or ELSA funds the Remedial Action Grant Program (RAG), which helps local governments conduct cleanup efforts. (In the past, the Legislature has also used State Bonds for this work). Table 2 (p. 45) identifies the RAG projects that have estimated cleanup funding needs over the next ten years.

## **Coordinating with Local Governments**

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The Ten-Year Financing Report was prepared by working in partnership with local governments that receive MTCA funds. “Local government” means any political subdivision, regional government unit, district, or municipal or public corporation. This includes cities, towns, counties, ports, and development authorities.

Local governments provide a unique perspective of cleanup activities that directly affect their constituents and neighborhoods. By partnering with these stakeholders, Ecology obtains deeper knowledge of a community’s cleanup needs and builds stronger relationships with invested parties that help conduct remedial actions. Coordinating with local governments on the RAG Program also provides critical insight into Ten-Year Financing Report timelines, cleanup priorities, cost estimates, and technical issues.

## **Remedial Action Grant Program**

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Washington State, through Ecology, offers grants and loans to local governments to encourage and expedite cleanup activity. Grant dollars facilitate the cleanup and reuse of contaminated publicly-owned lands, and lessen the cost impact to local taxpayers. Ecology generally requires local governments to match a portion of the grant funding.

In response to requests by local governments as well as by legislative mandate, Ecology is taking steps to clarify, formalize, and make the existing grant process more transparent. As a result, Ecology has expanded public involvement opportunities in the grant process by:

- Soliciting project cleanup information from local governments for inclusion in the Ten-Year Financing Report.
- Working with local governments to refine their needs as projects change.
- Publishing the list of projects in the Ten-Year Financing Report.
- Making updates to the project list.

## Rules Governing Cleanup under MTCA

Ecology adopted three rules that guide TCP's investigation and cleanup of hazardous waste sites under MTCA:

- Chapter 173-340 WAC, Model Toxics Control Act Cleanup Regulation (MTCA rule)
- Chapter 173-204 WAC, Sediment Management Standards (SMS rule)
- Chapter 173-322A WAC, Remedial Action Grants and Loans (RAG rule)<sup>13</sup>

As a result of the 2013 legislative directives in MTCA, Ecology established new funding priorities, made several adjustments to the RAG Program, and repealed/replaced the previous RAG rule with Chapter 173-322A WAC. The rule now:

- Allows Ecology to enter into extended grant agreements with local governments for projects that exceed \$20 million and occur over multiple budget cycles. Such projects would receive priority for funds.
- Provides integrated planning grants to local governments for studies that facilitate the cleanup and reuse of contaminated sites.
- Eliminates methamphetamine lab site assessment and cleanup grants and derelict vessel remedial action grants as separate types of grants.
- Provides area-wide groundwater remedial action grants without requiring local governments to be a potentially liable person or seek reimbursement of grant funds from such persons.
- Allows Ecology to enter into grant agreements with local governments before they acquire or secure access to a property, provided they include a schedule for obtaining access.
- Provides periodic reimbursement of the costs of independent remedial actions.
- Implements cash management principles such as allocating funds for a two-year scope of work and ensuring local governments substantially spend funds before receiving a new grant.
- Makes other appropriate changes to the application information requirements governing remedial action grants and loans (such as grant match requirements).
- Streamlines existing requirements, improves rule clarity, and improves consistency with other requirements in the chapter or with other state and federal laws and rules (such as coordinating with agency-wide efforts to streamline and standardize grant processes).

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<sup>13</sup> On August 29, 2014, the Department of Ecology repealed Chapter 173-322 WAC and adopted Chapter 173-322A WAC, Remedial Action Grants and Loans. The modified rule became effective on September 29, 2014.

## Types of RAG Grants

Ecology's RAG Program provides multiple funding opportunities to local governments. Following the 2013 legislative amendments to MTCA, Extended Grant Agreements were added to this list:

- *Extended Grant Agreements* are given to local governments for sites where the cleanup project exceeds \$20 million and occurs over multiple budget cycles. These enable local governments to commit to long-term cleanups without tying up large amounts of grant funds.
- *Oversight Remedial Action Grants* provide funding to local governments that investigate and clean up hazardous waste sites under the supervision of Ecology or the U.S. Environmental Protection Agency under an order or decree.
- *Independent Remedial Action Grants (Voluntary Cleanup Program)* are provided to local governments that voluntarily take on cleanup actions without Ecology's oversight or approval.
- *Area-wide Groundwater Remedial Action Grants* are given to local governments conducting independent cleanups through the Voluntary Cleanup Program. These grants are provided without requiring the local government to be a potentially liable party, or seek reimbursement of grant funds from such persons.
- *Safe Drinking Water Action Grants* help local governments, or local governments applying on behalf of a purveyor, provide safe drinking water to areas contaminated by, or threatened by contamination from, hazardous waste sites.
- *Site Assessment Grants* are given to local health departments and districts to conduct assessments at sites to confirm the type and level of contamination at sites identified on Ecology's Hazardous Sites List. Effective September 2014, this also includes work to assess and cleanup methamphetamine lab sites where hazardous substances have been released into the environment. *Methamphetamine Lab Site Assessment and Cleanup Grants* were eliminated as separate grants when the RAG rule was modified in 2014.<sup>14</sup>

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<sup>14</sup> *Derelict Vessel Remedial Action Grants* were also eliminated when RAG rule, Chapter 173-322A, was modified in August 2014. The grants had provided funding to local governments that clean up and dispose of hazardous substances from abandoned or derelict vessels. This work is now funded primarily through the Department of Natural Resources' Derelict Vessel Removal Program.

- *Integrated Planning Grants* encourage and expedite the cleanup of brownfield properties. They provide funding to local governments to conduct assessments of brownfield sites, and develop integrated project plans for their cleanup and adaptive reuse.

## **Ranking Projects for RAG Program Funding**

Eligible projects are assigned a ranking of high, medium, or low by TCP based on order of priority described in WAC 173-322A-210:

- Oversight remedial action grants and loans under an existing extended grant agreement;
- Site assessment grants and other remedial action grants and loans for previously funded projects, provided that substantial progress has been made; and
- Remedial action grants and loans for new projects.

Newer projects may take priority over others depending on a project's risk, land re-use potential, or ability to proceed with cleanup.

For Oversight Remedial Action Grants, Ecology further prioritizes based on the factors specified in WAC 173-322A-320(3):

- The threat posed by the hazardous waste site to human health and the environment;
- Whether the applicant is a prospective purchaser of a brownfield property within a redevelopment opportunity zone;
- The land reuse potential of the hazardous waste site;
- Whether the hazardous waste site is located within a highly impacted community;
- The readiness of the applicant to start and complete the work to be funded by the grant and the performance of the applicant under prior grant agreements;
- The ability of the grant to expedite the cleanup of the hazardous waste site;
- The ability of the grant to leverage other public or private funding for the cleanup and reuse of the hazardous waste site;
- The distribution of grants throughout the state and to various types and sizes of local governments; and
- Other factors as determined and published by the department.

## **Summary of Estimated Cleanup Costs Funded through LTCA or ELSA**

Either LTCA or ELSA may fund RAG grants to local governments. Table 2 (p. 45) identifies projects that include 109 locally-owned cleanup sites, 4 statewide grant programs, grant management, and placeholders that will have funding needs through LTCA or ELSA over the next ten years. The sites represent only a fraction of contaminated sites in Washington that are expected to need LTCA or ELSA funding in the future.

## Ten-Year Funding Estimates for LTCA and ELSA Funding

Ecology estimates that nearly \$1.7 billion will be required to support work at locally-owned cleanup sites over the next ten years. This estimate is adjusted for inflation.

- Estimated costs for future biennia were inflated by 3 percent based on *Engineering News Record's* construction cost inflation rate for Seattle (June 2014) and a national construction confidence factor.<sup>15</sup>
- Ecology and local governments identified 109 locally-owned, cleanup projects for the ten-year period. The agencies estimate that approximately \$1.3 billion will be required to complete this work over the next ten years.
  - For planning purposes, Ecology estimates that at least \$816 million will be needed to cover the state share of these cleanup costs. This amount includes approximately \$645 million for the 109 cleanup projects, and \$172 million in funding placeholders to address the potential discovery of new, locally-owned contaminated sites. Local agencies will be responsible for the remaining amount of these cleanup costs.
  - Estimated project costs range from \$24,000 for Port of Anacortes' Cap Sante Marine cleanup for the 2015-17 biennium, to \$293 million for the Port of Seattle's Lower Duwamish Waterway project over the next ten years. This range illustrates the diversity in the size and complexity of cleanups that require LTCA or ELSA funding and are being conducted by local governments and the Toxics Cleanup Program. This range, however, does not encompass the entire cost estimate of large cleanups (such as the Lower Duwamish Waterway) that will include multiple components and a combination of LTCA, STCA, ELSA, federal, and other funds to complete.
- Ecology estimates that \$38.1 million will be required to fund four additional statewide grant programs and grant management over the next ten years. The four grant programs include site assessment grants to local health districts; integrated planning grants; area-wide groundwater grants; and reimbursement of independent remedial actions conducted at publicly-owned sites (i.e., voluntary cleanup projects). The majority of these grants are 100 percent state-funded.
- Ecology estimates that \$3.4 million will be required to administer the Remedial Action Grant program over the next ten years. This represents less than 1 percent of the grant program costs (0.08 percent) funded in the capital budget.
- Approximately 70 percent of the projected remedial action grant costs are associated with highly ranked sites (Federal Superfund sites and #1 or #2 ranked state sites).
- The projected 2014 ten-year total cost estimate for locally-owned sites (nearly \$1.7 billion) is lower than the 2012 cost estimate (\$2.1 billion). The reduced cost estimate reflects two key differences between the two ten-year financing reports: (1) the 2012 report identified \$690 million in funding needs for future biennia beyond its ten-year period of 2013-23; the 2014 report does not include funding projections beyond the 2015-

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<sup>15</sup> ENR 1Q Cost Report Confidence Survey (March 24/31, 2014) [enr.com](http://enr.com) and ENR Seattle Cost Index (June 2014) [http://enr.construction.com/economics/historical\\_indices/seattle.asp](http://enr.construction.com/economics/historical_indices/seattle.asp)

2025 time period; and (2) the 2014 cost estimates for projects related to the Lower Duwamish Waterway Superfund site are lower than 2012 cost projections that were prepared prior to the release of EPA's proposed cleanup plan in late 2013.

- The last column in Table 2, p. 45 titled "Other Public and Private Money," identifies other funding as reported by local governments. Local governments identified \$21.3 million in public and private funding that may be available to them, which may include contribution shares, insurance proceeds and other grant sources.

The sites and projects identified in this report represent only a fraction of locally-owned contaminated sites in Washington that are expected to need public funding in the future. Funding needs will also continue to expand as new sites are discovered.

### **2015-17 Biennium Budget Request for LTCA and ELSA Funding**

Ecology's budget request for the 2015-17 biennium includes \$75 million to cover the state share of cleanup costs for 40 projects at locally-owned sites, 4 additional statewide grant programs, and grant management. See Table 2 Summary (p. 48).

- The budget request includes approximately \$67 million for work at 40 of the locally-owned sites identified in this plan.
- The budget request includes \$7 million for 4 statewide grant programs.
- The budget request includes \$620,000 for grant management.



## **Chapter 5: State-Directed Work Financing Needs**

STCA and ELSA are used to fund several types of remedial actions: (1) state-directed investigations and cleanup at orphaned or abandoned properties, or those that have non-compliant owners; (2) state cost-share at Federal Superfund sites where EPA is performing the cleanup action; (3) emergency removals and cleanup actions; and (4) state-wide actions to support investigations and cleanup of multiple sites. Table 3 on p. 49 identifies projects that need state-directed remedial action activities and their estimated costs over the next ten years.

### **Orphaned & Abandoned Sites / Sites with Non-Compliant Owners / Emergency Needs<sup>16</sup>**

Orphaned and abandoned sites are contaminated properties that have been abandoned, have no identifiable responsible party, or are beyond the technical or financial scope of local governments. Other state-directed sites also funded by STCA or ELSA include those with non-compliant owners, or sites with emergency needs. Unless these sites are cleaned up, they continue to pose threats to public health, the environment, groundwater, and fish and wildlife resources.

Previously, orphaned and abandoned sites in Washington were approached as community-based or bay-wide, rather than site-specific cleanups. The *Eastern* and *Western Washington Clean Site Initiatives* (EW and CSI) and *Cleanup Toxic Sites—Puget Sound* (also known as the *Puget Sound Initiative* or PSI) were approaches intended to clean up numerous sites within a geographic area and concentrate efforts to minimize costs. In the 2015-17 biennium, Ecology is proposing a budget to fund orphaned and abandoned sites, and emergency cleanups, regardless of geographic location.

### **Ranking State-Directed Projects for STCA or ELSA Funding**

Using best available information, Ecology developed a project list and cost estimates for 74 projects (66 known orphaned and abandoned sites and 8 statewide/Puget Sound-wide projects) that could reasonably undergo remedial actions over the next ten years. These projects have been ranked high, medium, or low by TCP managers using many criteria, including TCP's understanding of the risk to human health and the environment, land re-use potential, and the project's readiness to proceed. The factors considered when developing a project's priority include:

- Information learned about the site during discussions with local governments;
- Hazard ranking of contaminated sites;
- Length of time the site has been waiting to be cleaned up;

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<sup>16</sup> These sites were identified in the 2012 Ten-Year Financing Report by their funding initiative: *Eastern* (or) *Western Washington Clean Sites Initiative* (EW or CSI) or *Puget Sound Initiative* (PSI). The sites' former classifications are cross-referenced in Table 3.

- Contaminated site priority of local governments;
- Readiness of local government or private owner to proceed with a cleanup;
- Availability of leveraged funds, such as insurance policies, other grants, and other funding sources;
- Economic factors such as potential for redevelopment, job creation, or public benefit; and
- Environmental justice factors.

## **New Sites Will Require STCA or ELSA Funding**

Ecology expects that new hazardous sites will be reported and will need to move up in priority for cleanup actions, funding and staff resources as more information about the sites becomes known. Since 2000, between 200 and 300 new contaminated sites are discovered and reported each year. The majority of these newly reported sites begin cleanups voluntarily. Some of these sites will not be able to complete the cleanup and will need state resources through STCA or ELSA.

## **Summary of Estimated Cleanup Costs Funded through STCA or ELSA**

Ecology conducts state-directed cleanups using STCA or ELSA resources for those sites that urgently need action to protect the environment and public. Table 3 (p. 49) identifies 74 state-directed projects where the state has full or partial cleanup responsibility. Information was developed based on a reasonable expectation of the work Ecology could do in ten years with projected funding and staffing resources. Remediation at sites often takes several years, which means Ecology will not be able to complete every site's cleanup actions within a biennium.

The state-directed projects have been ranked high, medium, or low, in terms of relative priority for funding during the 2015-17 biennium. TCP managers prepared these rankings using several criteria including TCP's understanding of the risk to human health and the environment, land re-use potential and the project's readiness to proceed.

### **Ten-Year Funding Estimates for STCA and ELSA Funding**

Ecology estimates that \$226 million will be required for state-directed projects over the next ten years. This estimate is adjusted for inflation.

- Estimated costs for future biennia were inflated by 3 percent based on *Engineering News Record's* construction cost inflation rate for Seattle (June 2014) and a national construction confidence factor.<sup>17</sup>
- Cleanup costs estimates were based on input from Ecology Regional Managers.

<sup>17</sup> ENR 1Q Cost Report Confidence Survey (March 24/31, 2014) enr.com and ENR Seattle Cost Index (June 2014) [http://enr.construction.com/economics/historical\\_indices/seattle.asp](http://enr.construction.com/economics/historical_indices/seattle.asp)

- Ecology identified 74 state-directed projects for the ten-year period, which comprise 66 orphaned and abandoned sites and 8 statewide/Puget Sound-wide cleanup projects. Ecology estimates an estimated \$116 million will be required to complete this work.
  - Ecology identified 66 orphaned and abandoned sites that could reasonably undergo remedial actions over the next ten years. These sites include state-led cleanup projects and federal Superfund sites where the state is responsible for a portion of the cleanup costs. Ecology estimates that nearly \$93 million will be needed over the next ten years for this state-directed cleanup effort.
  - Ecology identified eight statewide/Puget Sound-wide projects designed to support investigations and cleanup at multiple sites. Ecology estimates that \$23.6 million will be needed over the next ten years for these actions.
  - Estimated cleanup costs for state-directed cleanups range from \$50,000 to more than \$8 million per site, which illustrates the diversity of cleanup size and complexity that are being conducted by TCP. This range, however, does not encompass the entire cost estimate of large cleanups (such as the Lower Duwamish Waterway) that will include multiple components and a combination of LTCA, STCA, ELSA, federal, and other funds to complete.
- Ecology estimates that \$10.6 million will be needed for emergency removals and cleanup actions over the next ten years.
- Ecology estimates that about a third of the approximately 1,500 private sites waiting to begin cleanup actions are orphaned and abandoned. Project lists include \$99 million in placeholders over a ten year period for potential, new orphaned and abandoned sites. New cleanup sites are reported to Ecology every year; some will require state-directed cleanup investments.

The state-directed cleanup work identified in this report represents only a fraction of the full universe of contaminated sites in Washington expected to need state funding in the future. Funding needs will also continue to expand as new contaminated sites are discovered.

*(Cont'd. next page)*

## 2015-17 Biennium Budget Request for STCA and ELSA Funding

Ecology's budget request for the 2015-17 biennium includes \$47 million to conduct state-directed work for 53 cleanups, 7 statewide/Puget Sound-wide projects, and emergency removals. See Table 3 Summary (p. 50).

- The budget request includes approximately \$40 million for work at 53 of the orphaned and abandoned sites identified in this plan.
- The budget request includes \$4.8 million for 7 statewide/Puget Sound-wide projects designed to support investigation and cleanup at multiple sites.
- The budget request includes \$2 million for emergency removals and cleanup actions.

Ecology's 2015-17 biennium budget request of \$47 million in STCA funding includes three components: \$32 million for *Cleanup Toxic Site—Puget Sound* (also known as *Puget Sound Initiative* or PSI); \$11 million for *Eastern Washington Clean Sites Initiative* (EW); and \$4 million for Leaking Tank Model Remedies.

## **Chapter 6: Large Multi-Biennia Cleanup Projects** **Financing Needs**

RCW 70.105D.030 (5)(d) requires Ecology to provide separate budget estimates for large, multi-biennia cleanup projects that exceed \$10 million dollars. This is important because large multi-biennia cleanups create a tremendous demand on agency resources and impact the state's ability to address other cleanup projects.

Ecology worked with local governments to identify 109 projects at locally-owned sites that could reasonably undergo remedial actions over the next ten years (Table 2, p. 45). Included in the list are 19 large projects that are expected to exceed \$10 million in total estimated project costs. (Figure 3 and Table 4, pp. 37 and 51). Many of these complex cleanups stretch along our major waterways: Bellingham Bay, Port of Everett, Lower Duwamish Waterway, Commencement Bay, Budd Inlet, and Port of Longview. Other large cleanup sites are located at landfills, transfer stations and former lumber mills located in Yakima, Bellingham, Seattle, and King County.

- Ecology and local governments identified 19 projects with estimated costs greater than \$10 million. The agencies estimate that approximately \$1.1 billion will be needed for these projects over the next ten years. This estimate is adjusted for inflation.
- For planning purposes, Ecology estimates that at least \$568 million will be needed to cover the state share of these cleanup costs. Local agencies will be responsible for the remaining amount.
- Estimated project costs range from \$10 million for sites at the Ports of Tacoma and Longview, to more than \$461 million for multiple projects related to the Lower Duwamish Waterway Superfund site (LDW) in Seattle. The \$461 million figure includes LDW projects identified by the Port of Seattle, City of Seattle, and King County.
- The 2014 cost estimates for the LDW-related projects are lower than 2012 cost estimates for LDW-related projects which exceeded \$650 million. The 2014 cost projections were reduced to reflect EPA's proposed cleanup actions that were published in late 2013.

The majority of the estimated costs summarized in Table 4 (p. 51) are eligible for Remedial Action Grants. As a result:

- In terms of project numbers, the 19 large projects represent 17 percent of the 109 projects identified by Ecology and local governments.
- In terms of estimated cleanup costs, the forecasted needs for the 19 projects represent more than 88 percent of the Remedial Action Grant needs identified in Table 2 (p. 45).

From a human health and environmental protection standpoint, approximately 90 percent of the projected costs for these 19 large projects are associated with highly-ranked sites (Federal Superfund sites and #1 or #2 ranked state sites).

The 19 projects identified in Table 4 include many, but not all, of the large, multi-biennia cleanup projects in Washington. There are many other large projects being conducted by private

parties or the federal government that do not require significant state or local funding. These include the Hanford Nuclear Reservation, the ASARCO cleanup actions in Tacoma and Everett, cleanup of the upper Columbia River sediments and the Holden Mine cleanup actions.

# Projects over \$10 Million through 2025

Estimated total project cost (state and local government share combined)



Toxics Cleanup Program 11/2014

Figure 3. Projects over \$10 million through 2023-25 biennium (state and local government share combined)

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## **Conclusion**

The Department of Ecology has identified nearly 12,000 sites in Washington that have confirmed or suspected contamination. Over the last 25 years, Washington has made tremendous progress in cleaning up these sites. As this report is being completed, more than 6,200 sites have been cleaned up and/or determined to require no further action.

Much cleanup work remains to be completed. There are still more than 5,400 sites that require further investigation and cleanup. Site owners or the state are currently performing work at more than 3,660 of the sites. There are roughly 1,800 sites where investigations and cleanups have not been started, while 200 to 300 new sites are reported to Ecology each year.

This creates significant public funding responsibilities, because approximately 20 percent of Washington's contaminated sites are publicly owned. Public funding is also required for privately-owned orphaned and abandoned sites, as well as those with non-compliant owners or emergency cleanup needs.

As outlined in Chapters 4 and 5, Ecology estimates that \$1.9 billion in combined state and local funds will be required to perform investigations and cleanup at contaminated sites in Washington over the next ten years (\$1.7 billion from LTCA and ELSA; \$226 million from STCA and ELSA). Figures 5, 6 and 7 (pp. 42-44) further illustrate these cleanup funding needs, as distributed by county and legislative district. However, the sites and projects identified in this report represent only a fraction of locally-owned and/or orphaned and abandoned sites in Washington that are expected to need public funding in the future. Funding needs will also continue to expand as new sites are discovered.

It is important to note that the funding estimates in this report do not include Washington's entire statewide cleanup costs, the majority of which are funded by private parties and the federal government. Privately- and federally-funded cleanup actions include a wide range of projects that reflect various levels of Ecology involvement and oversight. For example, the majority of privately-funded cleanups are performed with review under the Voluntary Cleanup Program, with fees and Ecology's services paid for by private parties. Other large, privately-funded projects are being conducted pursuant to orders or consent decrees, which also do not require public funding and therefore not identified in this report.

For the thousands of cleanup projects that fall under local government's purview, projected state funding needs for the 2015-17 and 2017-19 biennia exceed the amounts likely to be available for Remedial Action Grants. For example, Ecology's 2015-17 budget request includes \$75 million through LTCA and ELSA for the state share of the RAG program, but Ecology and local governments identified more than \$206 million in state share that would be needed during this two year period. This wide disparity contributes to project delays as Ecology works with local governments to adjust project schedules that align with funding availability.

Washington's projected state and local funding needs have increased since Ecology's first ten-year financing report was prepared in 2008. In the 2008 report, for instance, Ecology identified

\$1.2 million in cleanup needs, which is approximately \$700 million less than the 2014 cost projections. Figure 4 (p. 41) illustrates this trend by comparing the total cleanup cost estimates in 2010, 2012 and 2014 for each county.

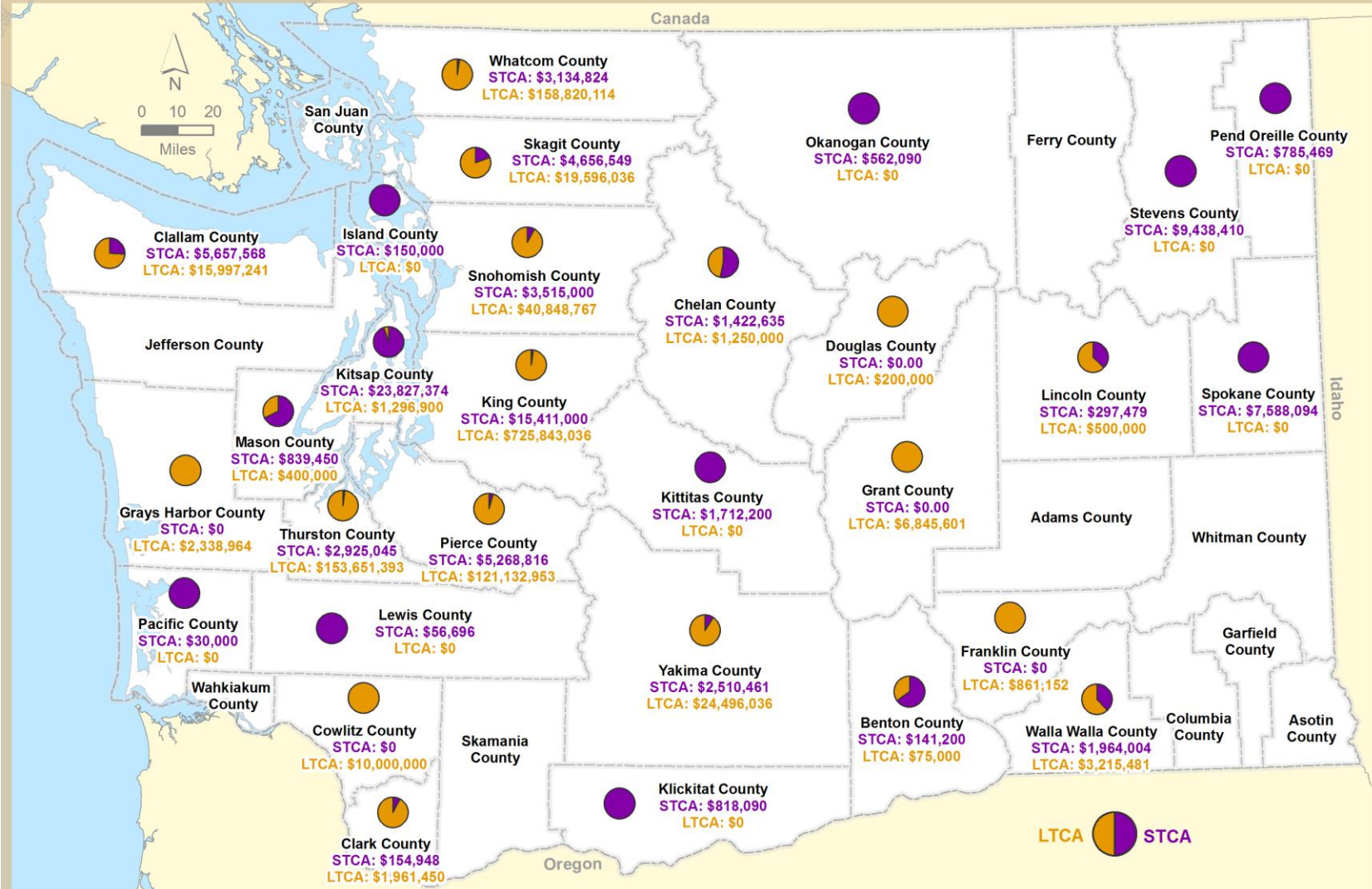
History and experience show that cleanup needs constantly evolve as investigations are completed and new sites are identified. Ecology will continue to work with local governments to refine the cost estimates that are incorporated into the Ten-Year Financing Reports prepared every two years. These reports work in tandem with Ecology's MTCA Biennial Reports, which evaluate STCA, LTCA and ELSA expenditures during the previous biennium. Ecology uses the expenditure information to help update the subsequent ten-year forecasts.

Remedial actions yield many benefits. Most importantly, they help protect Washington's citizens and environment. They also help transform blighted shorelines, launch recreational opportunities, and spur economic development. Continued public funding will be essential as state, local, and federal agencies, private organizations, and individuals work together to achieve these benefits. Although cleanup needs will always exceed available public funding, a comprehensive understanding of those needs will help ensure that funds are used in the most effective way possible.



# Estimated Cleanup Funding Needs through 2025: County

Total project cost (comparison of STCA and LTCA funding needs)



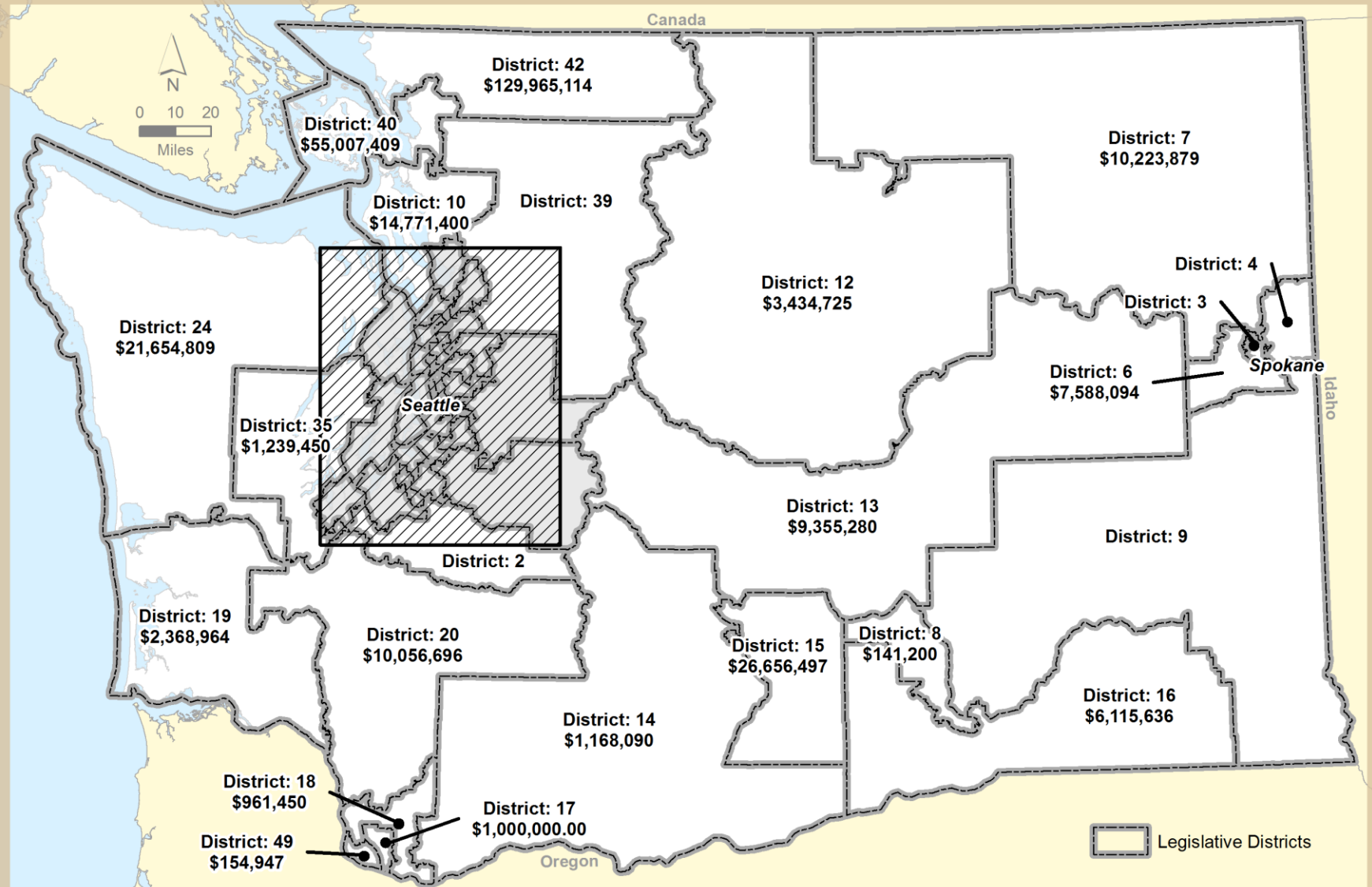
Toxics Cleanup Program 11/2014. Note: LTCA includes state and local government share combined.

Figure 5. Estimated cleanup funding needs through 2023-25 biennium: County



# Estimated Cleanup Funding Needs through 2025: Legislative District

Total project cost (state and local government share combined)



Toxics Cleanup Program 11/2014

Figure 6. Estimated cleanup funding needs through 2023-25 biennium: Legislative district

# Estimated Cleanup Funding Needs through 2025: Legislative District (Inset Map)

Total project cost (state and local government share combined)

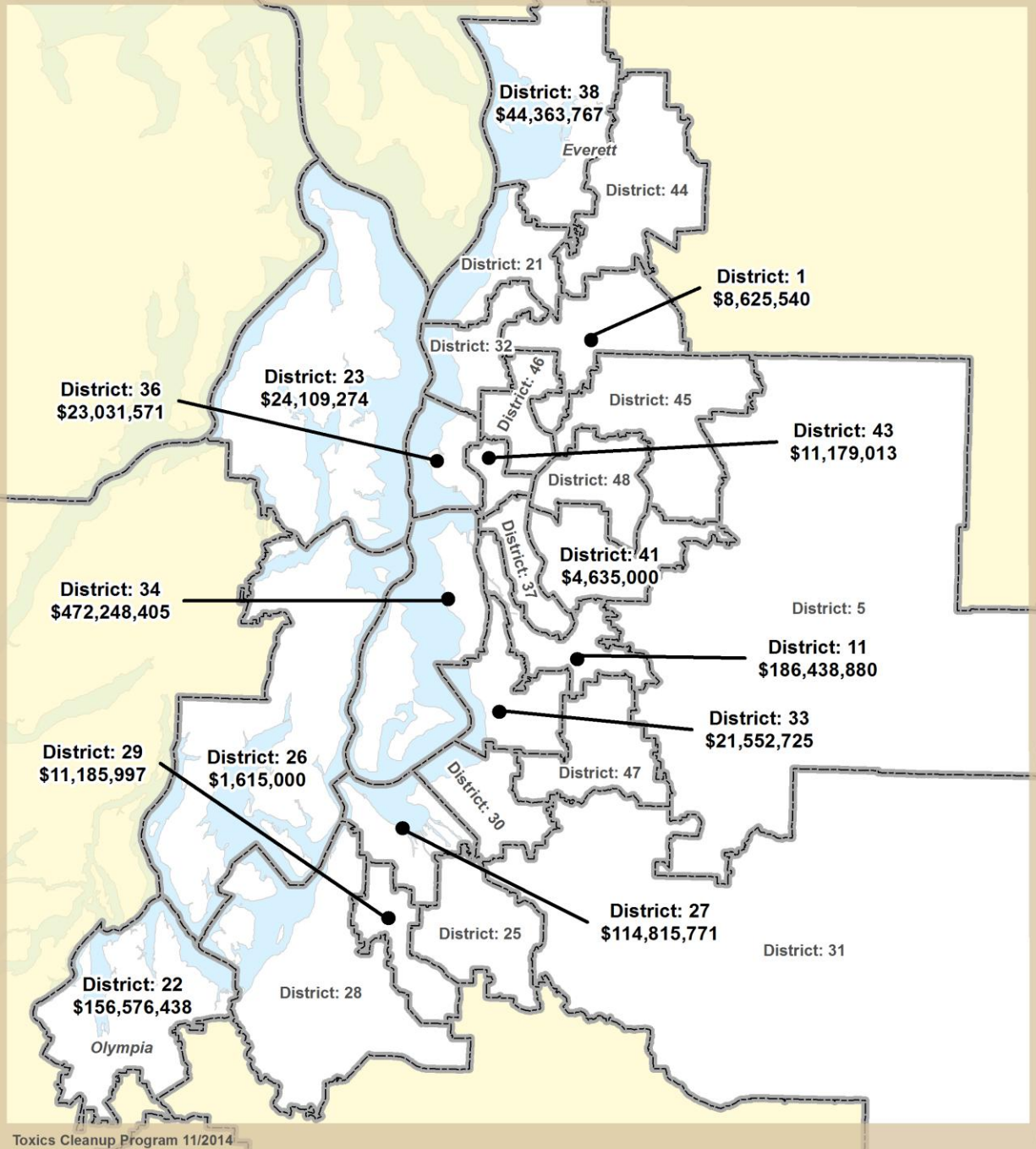
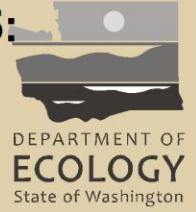


Figure 7. Estimated cleanup funding needs through 2023-25 biennium: Legislative district (inset map)

**Table 2: Local government Remedial Action Grant financing needs (LTCA and ELSA): Ten-year estimate through 2023-25 biennium**

Rank H/M/L	Grantee	Project	Facility Site ID	Region	County	Total Local Government 10-Year Need Before Inflation	Ecology's 2015-17 Budget Request (State Share)	Estimated Biennial Local Government 10-Year Need					Total Local Government 10-Year Need After Inflation	Estimated State Share	Estimated Local Government Share	Other Public and Private Money	
								1.00 2015-17	1.03 2017-19 w/ Inflation	1.0609 2019-21 w/ Inflation	1.092727 2021-23 w/ Inflation	1.12550881 2023-25 w/ Inflation					
		<b>Site Assessment</b>				\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,126,000	\$ 3,257,000	\$ 3,394,000	\$ 3,537,000	\$ 16,314,000	\$ 16,314,000			
		<b>Independent Remedial Action Grants</b>				\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,563,000	\$ 1,629,000	\$ 1,697,000	\$ 1,768,000	\$ 8,157,000	\$ 4,078,500	\$ 4,078,500		
		<b>Integrated Planning Grants</b>				\$ 1,500,000	\$ 1,500,000	\$ 1,563,000	\$ 1,629,000	\$ 1,697,000	\$ 1,768,000	\$ 1,768,000	\$ 8,157,000	\$ 8,157,000			
		<b>Areawide Groundwater</b>				\$ 1,000,000	\$ 1,000,000	\$ 1,042,000	\$ 1,086,000	\$ 1,132,000	\$ 1,180,000	\$ 1,180,000	\$ 5,440,000	\$ 5,440,000			
		<b>Grant Management Costs</b>				\$ 620,000	\$ 620,000	\$ 646,000	\$ 673,000	\$ 701,000	\$ 730,000	\$ 730,000	\$ 3,370,000	\$ 3,370,000			
H	City of Yakima	Tiger Oil - 24th & Nob Hill	469	CRO	Yakima	\$ 1,500,000	\$ 1,500,000	\$ 1,250,000	\$ 257,500				\$ 1,507,500	\$ 753,750	\$ 753,750	\$ 475,000	
H	Port of Pasco	Pasco Bulk Fuel Terminal Site	579	ERO	Franklin	\$ 827,628	\$ 335,000	\$ 193,263	\$ 421,306	\$ 75,170	\$ 81,670	\$ 89,742	\$ 861,152	\$ 430,576	\$ 430,576	\$ -	
H	Port of Tacoma	Atofina Chem 2009 Taylor Way Log Yard	1219	SWRO	Pierce	\$ 5,800,000	\$ 2,900,000	\$ 5,800,000					\$ 5,800,000	\$ 2,900,000	\$ 2,900,000	\$ -	
H	Port of Everett	Everett Shipyard	2794	NWRO	Snohomish	\$ 2,100,000		\$ 2,100,000					\$ 2,100,000	\$ 1,050,000	\$ 1,050,000	\$ 1,025,000	
H	Port of Everett	Weyerhaeuser Mill A	1884322	NWRO	Snohomish	\$ 26,100,000		\$ 6,000,000	\$ 15,450,000	\$ 5,357,545	\$ 54,636		\$ 26,862,181	\$ 13,431,091	\$ 13,431,091	\$ -	
H	Port of Everett	Bay Wood	4438651	NWRO	Snohomish	\$ 2,815,000	\$ 7,001,000	\$ 2,800,000	\$ 15,450				\$ 2,815,450	\$ 1,407,725	\$ 1,407,725	\$ -	
H	Port of Everett	Ameron/Hulbert	68853261	NWRO	Snohomish	\$ 1,550,000		\$ 1,550,000					\$ 1,550,000	\$ 775,000	\$ 775,000	\$ -	
H	Port of Everett	East Waterway	2733	NWRO	Snohomish	\$ 5,000,000		\$ 1,000,000	\$ 1,030,000	\$ 1,060,900	\$ 1,092,727	\$ 1,125,509	\$ 5,309,136	\$ 2,654,568	\$ 2,654,568	\$ -	
H	City of Bothell	Crossroads Bothell Former Hertz	11687976	NWRO	King	\$ 51,000	\$ 1,000,000	\$ 51,000					\$ 51,000	\$ 25,500	\$ 25,500	\$ -	
H	City of Bothell	Bothell Landing	73975762	NWRO	King	\$ 36,000		\$ 36,000					\$ 36,000	\$ 18,000	\$ 18,000	\$ -	
H	City of Bothell	Bothell Paint & Decorating	93536765	NWRO	King	\$ 43,500		\$ 43,500					\$ 43,500	\$ 21,750	\$ 21,750	\$ -	
H	City of Bothell	Bothell Riverside	93536765	NWRO	King	\$ 283,250		\$ 190,250	\$ 95,790				\$ 286,040	\$ 143,020	\$ 143,020	\$ -	
H	City of Bothell	Bothell Service Center	2268	NWRO	King	\$ 5,700,000	\$ 1,700,000	\$ 5,400,000	\$ 309,000				\$ 5,709,000	\$ 2,854,500	\$ 2,854,500	\$ -	
H	Grant County	Ephrata Landfill	592	ERO/W2R	Grant	\$ 6,657,500		\$ 2,644,000	\$ 3,992,500	\$ 883,225	\$ 747,935	\$ 631,050	\$ 590,892	\$ 6,845,601	\$ 3,422,801	\$ 3,422,801	\$ -
H	City of Walla Walla	Sudbury Landfill	4446540	ERO	Walla Walla	\$ 3,200,000	\$ 2,250,000	\$ 3,000,000	\$ 51,500	\$ 79,568		\$ 84,413	\$ 3,215,481	\$ 1,607,740	\$ 1,607,740	\$ 1,600,000	
H	Port of Port Angeles	K Ply	1002	SWRO	Clallam	\$ 4,825,000	\$ 1,500,000	\$ 4,625,000	\$ 51,500	\$ 53,045	\$ 54,636	\$ 56,275	\$ 4,840,457	\$ 2,420,228	\$ 2,420,228	\$ 1,218,750	
H	Port of Anacortes	Former Scott Paper Mill	8122259	NWRO	Skagit	\$ -	\$ 3,000,000						\$ -	\$ -	\$ -	\$ -	
H	Port of Anacortes	Cap Sante Marine	67532227	NWRO	Skagit	\$ 24,000		\$ 24,000					\$ 24,000	\$ 12,000	\$ 12,000	\$ -	
H	Port of Anacortes	Former Shell Tank Farm	4781157	NWRO	Skagit	\$ 40,000		\$ 40,000					\$ 40,000	\$ 20,000	\$ 20,000	\$ -	
H	Port of Anacortes	Log Haul Out	21898438	NWRO	Skagit	\$ 2,975,000	\$ 3,000,000	\$ 2,910,000	\$ 66,950				\$ 2,976,950	\$ 1,488,475	\$ 1,488,475	\$ -	
H	Port of Anacortes	Dakota Creek Shipyard	2670	NWRO	Skagit	\$ 4,388,500		\$ 2,280,500	\$ 2,055,365	\$ 39,784	\$ 40,977	\$ 42,207	\$ 4,458,833	\$ 2,229,416	\$ 2,229,416	\$ -	
H	Port of Anacortes	Quiet Cove		NWRO	Skagit	\$ 4,475,000		\$ 500,000	\$ 4,017,000	\$ 24,999	\$ 27,318	\$ 28,138	\$ 4,597,455	\$ 2,298,727	\$ 2,298,727	\$ -	
H	Port of Olympia	Budd Inlet Sediments	3097108	SWRO	Thurston	\$ 138,420,000	\$ 6,250,000	\$ 28,900,000	\$ 53,117,100	\$ 61,373,065	\$ 109,273		\$ 143,499,438	\$ 71,749,719	\$ 71,749,719	\$ 6,840,000	
H	Port of Port Angeles	Western Port Angeles Harbor	18898	SWRO	Clallam	\$ 9,467,748	\$ 750,000	\$ 1,480,250	\$ 5,029,832	\$ 2,842,327	\$ 232,204	\$ 239,171	\$ 9,823,784	\$ 4,911,892	\$ 4,911,892	\$ 946,776	
H	Port of Tacoma	Portac Inc	1215	SWRO	Pierce	\$ 12,000,000		\$ 6,300,000	\$ 5,871,000				\$ 12,171,000	\$ 6,085,500	\$ 6,085,500	\$ -	
H	Port of Tacoma	Earley Business Center	9762715	SWRO	Pierce	\$ 4,800,000		\$ 4,000,000	\$ 824,000				\$ 4,824,000	\$ 2,412,000	\$ 2,412,000	\$ -	
H	Port of Tacoma	Alexander Ave Petroleum Tank Facilities	1377	SWRO	Pierce	\$ 7,100,000	\$ 800,000	\$ 4,700,000	\$ 2,472,000				\$ 7,172,000	\$ 3,586,000	\$ 3,586,000	\$ -	
H	City of Bellingham	RG Haley	2870	NWRO	Whatcom	\$ 5,000,000	\$ 3,000,000	\$ 5,000,000					\$ 5,000,000	\$ 2,500,000	\$ 2,500,000	\$ -	
H	Skagit County	Truck City Site	2673	NWRO	Skagit	\$ 1,035,000	\$ 2,000,000	\$ 1,035,000					\$ 1,035,000	\$ 517,500	\$ 517,500	\$ -	
H	Port of Bellingham	Harris Ave Shipyard	2922	NWRO	Whatcom	\$ 18,940,000	\$ 600,000	\$ 18,940,000					\$ 18,940,000	\$ 9,470,000	\$ 9,470,000	\$ -	
H	Port of Bellingham	GP West Mill site	14	NWRO	Whatcom	\$ 11,020,000		\$ 4,000,000	\$ 11,020,000				\$ 11,020,000	\$ 5,510,000	\$ 5,510,000	\$ -	
H	Port of Seattle	Lora Lake Apts	1880040	NWRO	King	\$ 20,000,000	\$ 5,000,000	\$ 8,500,000	\$ 11,587,500	\$ 265,225			\$ 20,352,725	\$ 10,176,363	\$ 10,176,363	\$ -	
H	Kitsap County	Hansville Landfill	2605	NWRO	Kitsap	\$ 281,900	\$ 250,000	\$ 281,900					\$ 281,900	\$ 140,950	\$ 140,950	\$ -	

Table 2. Local government Remedial Action Grant financing needs (LTCA and ELSA): Ten-year estimate through 2023-25 biennium

Table 2: Local government Remedial Action Grant financing needs (LTCA and ELSA): Ten-year estimate through 2023-25 biennium, cont'd.

Rank H/M/L	Grantee	Project	Facility Site ID	Region	County	Total Local Government 10-Year Need Before Inflation	Ecology's 2015-17 Budget Request (State Share)	Estimated Biennial Local Government 10-Year Need					Total Local Government 10-Year Need After Inflation	Estimated State Share	Estimated Local Government Share	Other Public and Private Money
								1.00 2015-17	1.03 2017-19 w/ Inflation	1.0609 2019-21 w/ Inflation	1.092727 2021-23 w/ Inflation	1.12550881 2023-25 w/ Inflation				
H	Port of Seattle	Terminal 30	2055	NWRO	King	\$ 3,000,000	\$ 600,000	\$ 3,000,000					\$ 3,000,000	\$ 1,500,000	\$ 1,500,000	\$ -
H	Port of Seattle	Terminal 91	24768	NWRO	King	\$ 7,400,000	\$ 3,500,000	\$ 7,400,000					\$ 7,400,000	\$ 3,700,000	\$ 3,700,000	\$ -
H	Port of Seattle	Terminal 115N	98422914	NWRO	King	\$ 4,591,800	\$ 1,000,000	\$ 2,255,000	\$ 2,406,904				\$ 4,661,904	\$ 2,330,952	\$ 2,330,952	\$ -
H	Port of Bellingham	Central Waterfront	2864	NWRO	Whatcom	\$ 5,040,000	\$ 3,800,000	\$ 5,040,000					\$ 5,040,000	\$ 2,520,000	\$ 2,520,000	\$ -
H	Port of Bellingham	Cornwall Ave Landfill	2913	NWRO	Whatcom	\$ 5,140,000	\$ 4,000,000	\$ 5,140,000					\$ 5,140,000	\$ 2,570,000	\$ 2,570,000	\$ -
H	Port of Bellingham	I&J Waterway	3145643	NWRO	Whatcom	\$ 12,150,000	\$ 1,000,000	\$ 12,150,000					\$ 12,150,000	\$ 6,075,000	\$ 6,075,000	\$ -
H	City of Seattle	Gas Works Park	139	NWRO	King	\$ 9,404,000	\$ 7,000,000	\$ 1,844,000	\$ 7,679,680	\$ 110,334			\$ 9,634,014	\$ 4,817,007	\$ 4,817,007	\$ -
H	Port of Tacoma	Kaiser	38	SWRO	Pierce	\$ 4,600,000		\$ 4,600,000					\$ 4,600,000	\$ 2,300,000	\$ 2,300,000	\$ -
H	City of Yakima	Yakima City Landfill	1927	CRO	Yakima	\$ 20,000,000		\$ 15,000,000	\$ 2,060,000	\$ 2,121,800	\$ 1,092,727		\$ 20,274,527	\$ 10,137,264	\$ 10,137,264	\$ 5,000,000
H	Skagit County	Whitmarsh	2662	NWRO	Skagit	\$ 6,282,000		\$ 845,600	\$ 4,975,930	\$ 642,269			\$ 6,463,799	\$ 3,231,899	\$ 3,231,899	\$ -
H	City of Wenatchee	Gold Knob Prospects (Saddle Rock)	22496	CRO	Chelan	\$ 1,250,000		\$ 1,250,000					\$ 1,250,000	\$ 625,000	\$ 625,000	\$ 80,000
H	City of Marysville	Former Geddes Marina	85223839	NWRO	Snohomish	\$ 1,000,000		\$ 1,000,000					\$ 1,000,000	\$ 500,000	\$ 500,000	\$ -
H	Port of Bellingham	Whatcom Waterway	2899	NWRO	Whatcom	\$ 87,250,000			\$ 46,350,000	\$ 23,605,025	\$ 21,854,540		\$ 91,809,565	\$ 45,904,783	\$ 45,904,783	
H	Port of Bellingham	Blaine Sediments		NWRO	Whatcom	\$ 998,000			\$ 309,000	\$ 697,999			\$ 1,006,999	\$ 503,499	\$ 503,499	
M	City of Shelton	C Street Landfill	1186	SWRO	Mason	\$ 400,000		\$ 400,000					\$ 400,000	\$ 200,000	\$ 200,000	\$ -
M	City of Bothell	Case Property (Ultra Custom Care Cleaners)	379891	NWRO	King	\$ 2,500,000		\$ 2,500,000					\$ 2,500,000	\$ 1,250,000	\$ 1,250,000	\$ -
M	City of Port Angeles	Western Port Angeles Harbor	18898	SWRO	Clallam	\$ 1,333,000		\$ 1,333,000					\$ 1,333,000	\$ 666,500	\$ 666,500	\$ 946,776
M	City of Yakima	Tiger Oil - E 16th & Nob Hill	528	CRO	Yakima	\$ 500,000		\$ 500,000					\$ 500,000	\$ 250,000	\$ 250,000	\$ 125,000
M	City of Yakima	Tiger Oil - Summitview & 56th Ave	58425191	CRO	Yakima	\$ 300,000		\$ 300,000					\$ 300,000	\$ 150,000	\$ 150,000	\$ 750,000
M	City of Yakima	Tiger Oil - North 1st	477	CRO	Yakima	\$ 1,000,000		\$ 750,000	\$ 257,500				\$ 1,007,500	\$ 503,750	\$ 503,750	\$ 250,000
M	City of Tacoma	Sauros Cleanarama Tacoma	4339824	SWRO	Pierce	\$ 123,000		\$ 123,000					\$ 123,000	\$ 61,500	\$ 61,500	\$ 61,500
M	City of Gig Harbor	Nikolich Property	20826	SWRO	Pierce	\$ 400,000		\$ 400,000					\$ 400,000	\$ 200,000	\$ 200,000	\$ -
M	City of Sunnyside	Sunnyside Municipal Airport Pesticide Spray Shed	20367	CRO	Yakima	\$ 415,000		\$ 415,000					\$ 415,000	\$ 207,500	\$ 207,500	\$ -
M	Port of Bellingham	Northwest Fuels	31548623	NWRO	Whatcom	\$ 500,000		\$ 500,000					\$ 500,000	\$ 250,000	\$ 250,000	\$ -
M	Yakima County	Cascade Natural Gas	492	CRO	Yakima	\$ 486,000		\$ 396,000	\$ 30,900	\$ 31,827	\$ 32,782		\$ 491,509	\$ 245,754	\$ 245,754	\$ -
M	Port of Bellingham	Blaine Marina Tank Farm	2888	NWRO	Whatcom	\$ 2,000,000		\$ 2,000,000					\$ 2,000,000	\$ 1,000,000	\$ 1,000,000	\$ -
M	Grays Harbor Historical Seaport Authority	Pakonen Boatyard	2472930	SWRO	Grays Harbor	\$ 1,000,000		\$ 1,000,000					\$ 1,000,000	\$ 500,000	\$ 500,000	\$ -
M	Port of Bellingham	Marine Service NW	61795996	NWRO	Whatcom	\$ 1,625,000		\$ 200,000	\$ 1,467,750				\$ 1,667,750	\$ 833,875	\$ 833,875	\$ -
M	Grays Harbor Historical Seaport Authority	Weyerhaeuser Sawmill Aberdeen	1126	SWRO	Grays Harbor	\$ 1,000,000		\$ 1,000,000					\$ 1,000,000	\$ 500,000	\$ 500,000	\$ -
M	Port of Bellingham	Westman Marine	66519819	NWRO	Whatcom	\$ 3,200,000		\$ 1,850,000	\$ 1,390,500				\$ 3,240,500	\$ 1,620,250	\$ 1,620,250	\$ -
M	King County	Maury Island Open Space	2901216	NWRO	King	\$ 4,239,094		\$ 4,039,094	\$ 206,000				\$ 4,245,094	\$ 2,122,547	\$ 2,122,547	\$ -
M	Kitsap County	Olalla Landfill	7057711	NWRO	Whatcom	\$ 200,000		\$ 200,000					\$ 200,000	\$ 100,000	\$ 100,000	\$ -

Table 2: Local government Remedial Action Grant financing needs (LTCA and ELSA): Ten-year estimate through 2023-25 biennium



Table 2: Local government Remedial Action Grant financing needs (LTCA and ELSA): Ten-year estimate through 2023-25 biennium, cont'd.

Rank H/M/L	Grantee	Project	Facility Site ID	Region	County	Total Local Government 10-Year Need Before Inflation	Ecology's 2015-17 Budget Request (State Share)	Estimated Biennial Local Government 10-Year Need					Total Local Government 10-Year Need After Inflation	Estimated State Share	Estimated Local Government Share	Other Public and Private Money
								1.00 2015-17	1.03 2017-19 w/ Inflation	1.0609 2019-21 w/ Inflation	1.092727 2021-23 w/ Inflation	1.12550881 2023-25 w/ Inflation				
M	City of Seattle	Seattle S Transfer Station/ South Park Landfill	2180	NWRO	King	\$ 16,100,000		\$ 5,000,000	\$ 11,433,000				\$ 16,433,000	\$ 8,216,500	\$ 8,216,500	\$ -
M	Port of Seattle	Cleanup-Lower Duwamish Waterway	42927743	NWRO	King	\$ 276,700,000		\$ 43,400,000	\$ 70,040,000	\$ 70,019,400	\$ 72,119,982	\$ 37,479,443	\$ 293,058,825	\$ 146,529,413	\$ 146,529,413	\$ -
M	Foss Waterway Development Authority	Site 8 of Tacoma Redevelopment Properties	1263	SWRO	Pierce	\$ 75,623		\$ 75,623					\$ 75,623	\$ 37,812	\$ 37,812	\$ 37,812
M	Port of Seattle	East Waterway	989871	NWRO	King	\$ 153,500,000		\$ 13,400,000	\$ 40,170,000	\$ 75,111,720	\$ 26,881,084	\$ 6,415,400	\$ 161,978,204	\$ 80,989,102	\$ 80,989,102	\$ -
M	City of Olympia	Solid Wood Inc	94656838	SWRO	Thurston	\$ 1,400,000		\$ 550,000	\$ 618,000		\$ 109,273	\$ 56,275	\$ 1,333,548	\$ 666,774	\$ 666,774	\$ -
M	King County	King County's Combined Sewer Overflow		NWRO	King	\$ 13,586,400							\$ 13,586,400	\$ 6,793,200	\$ 6,793,200	\$ -
M	Port of Olympia	Cascade Pole Signed 10/01/2012	Multiple	SWRO	Thurston	\$ 250,000		\$ 250,000					\$ 250,000	\$ 125,000	\$ 125,000	\$ -
M	Port of Tacoma	Pier 4	N/A	SWRO	Pierce	\$ 20,000,000		\$ 20,000,000					\$ 20,000,000	\$ 10,000,000	\$ 10,000,000	\$ -
M	City of Ridgefield	Park Laundry	8100630	SWRO	Clark	\$ 925,000		\$ 225,000	\$ 206,000	\$ 530,450			\$ 961,450	\$ 480,725	\$ 480,725	\$ -
M	Clark County	Fleischer Property	20708	SWRO	Clark	\$ 1,000,000		\$ 1,000,000					\$ 1,000,000	\$ 500,000	\$ 500,000	\$ -
M	City of Tacoma	Site 8 of Tacoma Redevelopment Properties	1263	SWRO	Pierce	\$ 1,661,020		\$ 1,661,020					\$ 1,661,020	\$ 830,510	\$ 830,510	\$ 830,510
M	City of Tacoma	Site 9 of Tacoma Redevelopment Properties	1263	SWRO	Pierce	\$ 1,472,980		\$ 1,472,980					\$ 1,472,980	\$ 736,490	\$ 736,490	\$ 736,490
L	Port of Olympia	East Bay Redevelopment Site	5785176	SWRO	Thurston	\$ 2,670,000		\$ 2,120,000	\$ 51,500	\$ 530,450			\$ 2,701,950	\$ 1,350,975	\$ 1,350,975	\$ -
L	Port of Tacoma	Arkema Inc	1220	SWRO	Pierce	\$ 42,000,000		\$ 22,000,000	\$ 20,600,000				\$ 42,600,000	\$ 21,300,000	\$ 21,300,000	\$ -
L	Port of Grays Harbor	Hungry Whale	1127	SWRO	Grays Harbor	\$ 337,791		\$ 298,691	\$ 40,273				\$ 338,964	\$ 169,482	\$ 169,482	\$ 168,896
L	City of Bremerton	Chevron Tank Farm Port Washington Narrows	2618	NWRO	Kitsap	\$ 1,000,000		\$ 500,000	\$ 515,000				\$ 1,015,000	\$ 507,500	\$ 507,500	\$ -
L	Port of Tacoma	Prologis/Don Oline (Taylor Alexander Fill Area)	1403183/1770486	SWRO	Pierce	\$ 10,000,000		\$ 5,000,000	\$ 5,150,000				\$ 10,150,000	\$ 5,075,000	\$ 5,075,000	\$ -
L	City of Olympia	West Olympia Landfill (Former)	1425	SWRO	Thurston	\$ 2,000,000		\$ 1,800,000	\$ 103,000	\$ 106,090			\$ 2,009,090	\$ 1,004,545	\$ 1,004,545	\$ 200,000
L	Seattle City Light	Lower Duwamish Waterway, T117, NBF/GTSP, Slip 4	42927743	NWRO	King	\$ 49,192,241		\$ 10,180,507	\$ 9,675,588	\$ 11,549,549	\$ 11,696,176	\$ 9,035,295	\$ 52,137,116	\$ 26,068,558	\$ 26,068,558	\$ -
L	City of Olympia	Former DOT Site - 318 State Avenue	3024394	SWRO	Thurston	\$ 300,000		\$ 200,000	\$ 103,000				\$ 303,000	\$ 151,500	\$ 151,500	\$ -
L	City of Olympia	Percival Landing	31651436	SWRO	Thurston	\$ 1,450,000		\$ 250,000	\$ 206,000	\$ 636,540	\$ 218,545	\$ 225,102	\$ 1,536,187	\$ 768,094	\$ 768,094	\$ -
L	City of Olympia	Isthmus (505 and 529W 4th ave)		SWRO	Thurston	\$ 1,500,000		\$ 1,100,000	\$ 206,000	\$ 212,180			\$ 1,518,180	\$ 759,090	\$ 759,090	\$ -
L	City of Olympia	8th Ave Park	9868921	SWRO	Thurston	\$ 500,000		\$ 500,000					\$ 500,000	\$ 250,000	\$ 250,000	\$ -
L	City of Tacoma	Tacoma Materials Handling Laboratory	61117739	SWRO	Pierce	\$ 7,100,000		\$ 4,700,000	\$ 2,472,000				\$ 7,172,000	\$ 3,586,000	\$ 3,586,000	\$ -
L	Port of Longview	Berth 4 Upland Area		SWRO	Cowlitz	\$ 10,000,000		\$ 10,000,000					\$ 10,000,000	\$ 5,000,000	\$ 5,000,000	\$ -
L	Port of Tacoma	Former PQ Corporation Site	68592738	SWRO	Pierce	\$ 2,265,730		\$ 745,730	\$ 1,565,600				\$ 2,311,330	\$ 1,155,665	\$ 1,155,665	\$ -
L	Port of Tacoma	Former City Steam Plant Property		SWRO	Pierce	\$ 600,000		\$ 600,000					\$ 600,000	\$ 300,000	\$ 300,000	\$ -
L	King County	Lake Union Ship Canal		NWRO	King	\$ 8,890,000		\$ 1,200,000	\$ 2,472,000	\$ 3,872,285	\$ 1,792,072		\$ 9,336,357	\$ 4,668,179	\$ 4,668,179	\$ -
L	King County	King Street		NWRO	King	\$ 4,243,500		\$ 2,581,500	\$ 1,650,060	\$ 63,654			\$ 4,295,214	\$ 2,147,607	\$ 2,147,607	\$ -
L	King County	Chelan		NWRO	King	\$ 2,512,000		\$ 1,812,750	\$ 720,228				\$ 2,532,978	\$ 1,266,489	\$ 1,266,489	\$ -

Table 2. Local government Remedial Action Grant financing needs (LTCA and ELSA): Ten-year estimate through 2023-25 biennium



**Table 3: State-directed work financing needs (STCA and ELSA): Ten-year estimate through 2023-25 biennium**

Rank H/M/L	EW/PSI	Project	Facility Site ID	Region	County	Total Project Costs Before Inflation	Ecology's 2015-17 Budget Requests	Estimated Future Cleanup Funding Needs by Biennium				Total Project Costs After Inflation
								1.03 2017-19 w/ Inflation	1.0609 2019-21 w/ Inflation	1.092727 2021-23 w/ Inflation	1.12550881 2023-25 w/ Inflation	
No Rank	PSI	<b>Puget Sound and Western Washington Emergency Removals and Cleanups</b>	N/A			\$ 10,000,000	\$ 2,000,000	\$ 2,060,000	\$ 2,121,800	\$ 2,185,454	\$ 2,251,018	\$ 10,618,272
H	EW	Airport Kwik Stop	32584416	ERO	Pend Oreille	\$ 765,000	\$ 360,000	\$ 257,500	\$ 79,568	\$ 54,636	\$ 33,765	\$ 785,469
H	PSI	Wyckoff Treatment Plant	152	HQ	Kitsap	\$ 6,200,000	\$ 2,000,000	\$ 2,060,000	\$ 1,060,900	\$ 655,636	\$ 675,305	\$ 6,451,841
H	EW	Dryden Pit (WDFW)	19302	CRO	Chelan	\$ 500,000	\$ 500,000					\$ 500,000
H	PSI	Well 12A	22	HQ	Pierce	\$ 3,700,000	\$ 1,600,000	\$ 1,030,000	\$ 530,450	\$ 327,818	\$ 337,653	\$ 3,825,921
H	EW	L&L Exxon	78835792	CRO	Benton	\$ 140,000	\$ 100,000	\$ 41,200				\$ 141,200
H	PSI	Wyckoff Soil and Groundwater	152	HQ	Kitsap	\$ 7,750,000	\$ 1,000,000	\$ 3,090,000	\$ 3,182,700	\$ 546,364	\$ 281,377	\$ 8,100,441
H	EW	Colville Post and Pole	765	ERO	Stevens	\$ 1,950,000	\$ 500,000	\$ 1,030,000	\$ 265,225	\$ 109,273	\$ 112,551	\$ 2,017,049
H	PSI	Wyckoff East Harbor	152	HQ	Kitsap	\$ 3,965,000	\$ 65,000	\$ 2,575,000	\$ 1,060,900	\$ 218,545	\$ 225,102	\$ 4,144,547
H	EW	Gold Nugget	28575673	CRO	Yakima	\$ 100,000	\$ 100,000					\$ 100,000
H	PSI	American Crossarm	208	SWRO	Lewis	\$ 72,000	\$ 12,000	\$ 12,360	\$ 14,853	\$ 17,484		\$ 56,696
H	EW	Priceless Gas	36318758	ERO	Lincoln	\$ 285,000	\$ 100,000	\$ 77,250	\$ 31,827	\$ 54,636	\$ 33,765	\$ 297,479
H	PSI	Frontier Hardchrome	197	SWRO	Clark	\$ 187,000	\$ 35,000	\$ 38,110	\$ 40,314	\$ 41,524		\$ 154,948
H	EW	Roby's	93453337	CRO	Yakima	\$ 100,000	\$ 100,000					\$ 100,000
H	PSI	Lakewood Ponders	224	SWRO	Pierce	\$ 212,000	\$ 25,000	\$ 77,250	\$ 53,045	\$ 32,782		\$ 188,077
H	EW	Marshall Landfill	648	ERO	Spokane	\$ 7,500,000	\$ 5,400,000	\$ 1,648,000	\$ 318,270	\$ 109,273	\$ 112,551	\$ 7,588,094
H	PSI	Lilyblad	1239	W2R	Pierce	\$ 913,000	\$ 913,000					\$ 913,000
H	EW	Moxee City Shop	42788675	CRO	Yakima	\$ 50,000	\$ 50,000					\$ 50,000
H	PSI	Custom Plywood Dioxin Removal Interim Action - Final Phase	2685	HQ	Skagit	\$ 4,200,000	\$ 3,500,000	\$ 257,500	\$ 265,225	\$ 109,273	\$ 112,551	\$ 4,244,549
H	EW	Stubblefield Salvage Yard	1367331	ERO	Walla Walla	\$ 1,900,000	\$ 500,000	\$ 1,030,000	\$ 212,180	\$ 109,273	\$ 112,551	\$ 1,964,004
H	PSI	Lower Duwamish Waterway Source Control and Cleanup	42927743	NWRO	King	\$ 4,000,000	\$ 4,000,000					\$ 4,000,000
H	EW	Northport Remedial Investigation	3833228	ERO	Stevens	\$ 7,200,000	\$ 600,000	\$ 6,180,000	\$ 530,450	\$ 54,636	\$ 56,275	\$ 7,421,362
H	PSI	Port Angeles Harbor	18898	SWRO	Clallam	\$ 3,000,000	\$ 900,000	\$ 618,000	\$ 530,450	\$ 546,364	\$ 562,754	\$ 3,157,568
H	EW	Columbus Square	81593498	CRO	Klickitat	\$ 600,000	\$ 300,000	\$ 309,000				\$ 609,000
H	PSI	Aladdin Plating	1277	SWRO	Pierce	\$ 340,000	\$ 300,000	\$ 20,600	\$ 21,218			\$ 341,818
H	EW	Frenchies	72493319	CRO	Yakima	\$ 570,000	\$ 200,000	\$ 381,100				\$ 581,100
M	PSI	RG Haley Remedial Action	2870	NWRO	Whatcom	\$ 1,200,000	\$ 1,200,000					\$ 1,200,000
M	EW	Central Washington University	21589197	CRO	Kittitas	\$ 600,000	\$ 300,000	\$ 309,000				\$ 609,000
M	PSI	Cornet Bay	2011	NWRO	Island	\$ 150,000	\$ 150,000					\$ 150,000
M	EW	Wirts Service	96296376	CRO	Kittitas	\$ 240,000	\$ 200,000	\$ 41,200				\$ 241,200
M	PSI	Reliable Steel	69923242	SWRO	Thurston	\$ 2,250,000	\$ 200,000	\$ 2,060,000	\$ 53,045			\$ 2,313,045
M	EW	Mackner Scales	27815219	CRO	Kittitas	\$ 450,000	\$ 250,000	\$ 206,000				\$ 456,000
M	PSI	Lower Budd Inlet-Bay-wide	3097108	SWRO	Thurston	\$ 200,000	\$ 200,000					\$ 200,000
M	EW	Tiger - 56th & Summitview	58425191	CRO	Yakima	\$ 50,000	\$ 50,000					\$ 50,000
M	PSI	Lower Duwamish Waterway Slivers	42927743	NWRO	King	\$ 3,000,000	\$ 3,000,000					\$ 3,000,000
M	EW	Tiger- East 16th & Nob Hill	528	CRO	Yakima	\$ 100,000	\$ 100,000					\$ 100,000
M	PSI	Everett Lowland Areas and Upland Port of Everett Remediation	2744	NWRO	Snohomish	\$ 2,500,000	\$ 2,500,000					\$ 2,500,000
M	EW	Tiger - North 1st Street	477	CRO	Yakima	\$ 100,000	\$ 100,000					\$ 100,000
M	PSI	Jacobsen Terminal Property	33177895	NWRO	King	\$ 2,000,000	\$ 2,000,000					\$ 2,000,000
M	EW	Pet Health Clinic	46612158	CRO	Yakima	\$ 500,000	\$ 350,000	\$ 154,500				\$ 504,500
M	PSI	Bellingham Bay Site - Habitat Restoration	2899	NWRO	Whatcom	\$ 1,500,000	\$ 1,500,000					\$ 1,500,000
M	EW	Meza Market	82232638	CRO	Yakima	\$ 240,000	\$ 40,000	\$ 206,000				\$ 246,000
M	PSI	American Memorial Park - Everett	2744	NWRO	Snohomish	\$ 300,000	\$ 300,000					\$ 300,000
M	EW	Headwaters Inn	47131692	CRO	Chelan	\$ 600,000	\$ 300,000	\$ 309,000				\$ 609,000
M	PSI	Lower Duwamish Waterway Regional Background	N/A	Info & Policy	King	\$ 231,000	\$ 231,000					\$ 231,000
M	EW	Kings Pacific Pride	8506296	CRO	Okanogan	\$ 350,000	\$ 250,000	\$ 103,000				\$ 353,000

Table 3: State-directed work financing needs (STCA and ELSA): Ten-year estimate through 2023-25 biennium, cont'd.

Rank H/M/L	EW/PSI	Project	Facility Site ID	Region	County	Total Project Costs Before Inflation	Ecology's 2015-17 Budget Requests	Estimated Future Cleanup Funding Needs by Biennium				Total Project Costs After Inflation
								1.03 2017-19 w/ Inflation	1.0609 2019-21 w/ Inflation	1.092727 2021-23 w/ Inflation	1.12550881 2023-25 w/ Inflation	
M	PSI	Puget Sound Public Involvement/Engagement Assistance	N/A	HQ	Puget Sound Wide	\$ 1,250,000	\$ 250,000	\$ 257,500	\$ 265,225	\$ 273,182	\$ 281,377	\$ 1,327,284
M	EW	Bonjorni	85894558	CRO	Kittitas	\$ 400,000	\$ 200,000	\$ 206,000				\$ 406,000
M	PSI	Port Gamble Construction Eng Support	93937775	HQ	Kitsap	\$ 400,000	\$ 400,000					\$ 400,000
M	EW	Bob's Auto Clinic	35156989	CRO	Yakima	\$ 50,000	\$ 50,000					\$ 50,000
L	PSI	Bremerton Naval Complex NRDA	N/A	HQ	Kitsap	\$ 600,000	\$ 300,000	\$ 257,500	\$ 53,045			\$ 610,545
L	MR	Leaking Tank Model Remedies	N/A	HQ	Statewide	\$ 20,000,000	\$ 4,000,000	\$ 4,120,000	\$ 4,243,600	\$ 4,370,908	\$ 4,502,035	\$ 21,236,543
L	PSI	Western WA University	55543566	HQ	Whatcom	\$ 510,000	\$ 110,000	\$ 103,000		\$ 109,273	\$ 112,551	\$ 434,824
L	PSI	Tribal Northwest Indian Fisheries	N/A	HQ	Puget Sound Wide	\$ 342,000	\$ 114,000	\$ 117,420	\$ 120,943			\$ 352,363
L	PSI	Jeldwen CAP Development	2757	HQ	Snohomish	\$ 200,000	\$ 200,000					\$ 200,000
L	PSI	Willapa Bay Statistical Support	N/A	HQ	Pacific	\$ 30,000	\$ 30,000					\$ 30,000
L	PSI	USFWS PSI Assistance	N/A	HQ	Puget Sound Wide	\$ 200,000	\$ 100,000	\$ 103,000				\$ 203,000
L	PSI	CLARC Redevelopment	N/A	Info & Policy	Statewide	\$ 215,000	\$ 215,000					\$ 215,000
L	PSI	SMS Rule Support (EIM)	N/A	Info & Policy	Statewide	\$ 50,000	\$ 50,000					\$ 50,000
L	PSI	Freshwater Natural Background Study	N/A	Info & Policy	Statewide	\$ 100,000	\$ 100,000					\$ 100,000
L	PSI	Port Angeles Municipal Landfill	6433299	W2R	Clallam	\$ 2,500,000	\$ 2,500,000					\$ 2,500,000
L	PSI	Circle K Station 1461	2322	NWRO	King	\$ 1,500,000		\$ 1,545,000				\$ 1,545,000
L	PSI	Lower Budd Inlet - Remedial Investigation	3097108	SWRO	Thurston	\$ 400,000		\$ 412,000				\$ 412,000
L	PSI	Scott Site Fish Mix	8122259	HQ	Skagit	\$ 250,000		\$ 257,500				\$ 257,500
L	PSI	Tiki Car Wash	2352	NWRO	King	\$ 4,500,000		\$ 4,635,000				\$ 4,635,000
L	PSI	Spikes Hydraulic	1190	SWRO	Mason	\$ 800,000		\$ 309,000	\$ 530,450			\$ 839,450
L	PSI	Maltby Mudflats Piling	N/A	HQ	Snohomish	\$ 500,000		\$ 515,000				\$ 515,000
L	PSI	MJB Sediment Sampling	7681	HQ	Skagit	\$ 150,000		\$ 154,500				\$ 154,500
L	PSI	Bainbridge Island City Strawberry Plant	15438	NWRO	Kitsap	\$ 4,000,000		\$ 4,120,000				\$ 4,120,000
L	PSI	Compliance Monitoring Project	N/A	Info & Policy	Statewide	\$ 100,000		\$ 103,000				\$ 103,000
L	EW	Bush Property	4275364	CRO	Yakima	\$ 100,000		\$ 51,500	\$ 53,045			\$ 104,545
L	EW	Cliffs Battery Service	451	CRO	Yakima	\$ 500,000		\$ 257,500	\$ 212,180	\$ 54,636		\$ 524,316
L	EW	Justin Schroeder	N/A	CRO	Chelan	\$ 300,000		\$ 154,500	\$ 159,135			\$ 313,635
L	EW	Dales	N/A	CRO	Okanogan	\$ 200,000		\$ 103,000	\$ 106,090			\$ 209,090
L	EW	Hardie's Car Wash	8187	CRO	Klickitat	\$ 200,000		\$ 103,000	\$ 106,090			\$ 209,090
		Placeholder for Additional Projects							\$ 28,777,778	\$ 35,019,032	\$ 35,196,818	\$ 98,993,628
<b>TOTAL:</b>						\$ 123,107,000	\$ 47,000,000	\$ 44,066,490	\$ 45,000,000	\$ 45,000,000	\$ 45,000,000	\$ 226,066,490

2015-17 Budget Components (see pg. 7)	Cleanup Toxics Sites in Puget Sound (PSI)	\$ 32,000,000
	Eastern Washington Clean Sites (EW)	\$ 11,000,000
	Leaking Tank Model Remedies	\$ 4,000,000

2015-17 BUDGET RQST SUMMARY	Emergency Removals & Cleanups	\$ 2,000,000
	Orphaned & Abandoned Cleanup Sites (53)	\$ 40,171,000
	Statewide & Puget Sound-wide Projects (7)	\$ 4,829,000
	Placeholder for Additional Projects	\$ -
	<b>TOTAL:</b>	\$ 47,000,000

TEN-YEAR SUMMARY	Emergency Removals & Cleanups	\$ 10,618,272
	Orphaned & Abandoned Cleanup Sites (66)	\$ 92,867,400
	Statewide & Puget Sound-wide Projects (8)	\$ 23,587,190
	Placeholder for Additional Projects	\$ 98,993,628
	<b>TOTAL:</b>	\$ 226,066,490

Table 3. State-directed work financing needs (STCA and ELSA): Ten-year estimate through 2023-25 biennium

**Table 4: Projects over \$10 million: Estimated total project cost (combined state and local government share) through 2023-25 biennium**

Rank H/M/L	Grantee	Project	Facility Site ID	Region	County	Total Local Government 10-Year Need Before Inflation	Ecology 2015-17 Budget Request (State Share)	Estimated Biennial Local Government 10-Year Need					Total Local Government 10-Year Need After Inflation	Estimated State Share	Estimated Local Government Share	Total	Other Public and Private Money
								2015-17	2017-19 w/ Inflation	2019-21 w/ Inflation	2021-23 w/ Inflation	2023-25 w/ Inflation					
<b>Lower Duwamish Waterway (LTCA &amp; STCA)</b>																	
M	Port of Seattle	Cleanup-Lower Duwamish Waterway	42927743	NWRO	King	\$ 276,700,000		\$ 43,400,000	\$ 70,040,000	\$ 70,019,400	\$ 72,119,982	\$ 37,479,443	\$ 293,058,825	\$ 146,529,413	\$ 146,529,413	\$ 293,058,825	
L	Seattle City Light	LDW, T117, NBF/GTSP, Slip 4	42927743	NWRO	King	\$ 49,192,241		\$ 10,180,507	\$ 9,675,588	\$ 11,549,549	\$ 11,696,176	\$ 9,035,295	\$ 52,137,116	\$ 26,068,558	\$ 26,068,558	\$ 52,137,116	
L	King County	LDW RI/FS, Technical, Source Control and AC Pilot Study	42927743	NWRO	King	\$ 13,905,188		\$ 12,529,973	\$ 1,191,873	\$ 231,337			\$ 13,953,182	\$ 6,976,591	\$ 6,976,591	\$ 13,953,182	
L	Seattle Public Utilities	Lower Duwamish Waterway Terminal 117 and Slip 4 Dredging	42927743	NWRO	King	\$ 87,618,000		\$ 5,738,000	\$ 13,204,600	\$ 24,421,918	\$ 25,154,576	\$ 25,909,213	\$ 94,428,306	\$ 47,214,153	\$ 47,214,153	\$ 94,428,306	
H		Lower Duwamish Waterway Source Control and Cleanup	42927743	NWRO	King	\$ 4,000,000		\$ 4,000,000					\$ 4,000,000	\$ 2,000,000	\$ 2,000,000	\$ 4,000,000	
M		Lower Duwamish Waterway Slivers	42927743	NWRO	King	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000					\$ 3,000,000	\$ 1,500,000	\$ 1,500,000	\$ 3,000,000	
M		Lower Duwamish Waterway Regional Background		Info & Policy	King	\$ 231,000	\$ 231,000	\$ 231,000					\$ 231,000	\$ 115,500	\$ 115,500	\$ 231,000	
<b>Total</b>						<b>\$ 434,646,429</b>	<b>\$ 3,231,000</b>	<b>\$ 79,079,480</b>	<b>\$ 94,112,061</b>	<b>\$ 106,222,204</b>	<b>\$ 108,970,734</b>	<b>\$ 72,423,952</b>	<b>\$ 460,808,430</b>	<b>\$ 230,404,215</b>	<b>\$ 230,404,215</b>	<b>\$ 460,808,430</b>	
<b>East Waterway (LTCA)</b>																	
M	Port of Seattle	East Waterway	989871	NWRO	King	\$ 153,500,000		\$ 13,400,000	\$ 40,170,000	\$ 75,111,720	\$ 26,881,084	\$ 11,400,000	\$ 166,962,804	\$ 83,481,402	\$ 83,481,402	\$ 166,962,804	
L	King County	East Waterway	989871	NWRO	King	\$ 4,171,301		\$ 4,171,301					\$ 4,171,301	\$ 2,085,651	\$ 2,085,651	\$ 4,171,301	
L	King County	East Waterway Source Control	989871	NWRO	King	\$ 651,075		\$ 451,075	\$ 206,000				\$ 657,075	\$ 328,538	\$ 328,538	\$ 657,075	
<b>Total</b>						<b>\$ 158,322,376</b>	<b>\$ -</b>	<b>\$ 18,022,376</b>	<b>\$ 40,376,000</b>	<b>\$ 75,111,720</b>	<b>\$ 26,881,084</b>	<b>\$ 11,400,000</b>	<b>\$ 171,791,180</b>	<b>\$ 85,895,590</b>	<b>\$ 85,895,590</b>	<b>\$ 171,791,180</b>	
<b>Western Port Angeles Harbor (LTCA &amp; STCA)</b>																	
H	Port of Port Angeles	Western Port Angeles Harbor	18898	SWRO	Clallam	\$ 9,467,748	\$ 750,000	\$ 1,480,250	\$ 5,029,832	\$ 2,842,327	\$ 232,204	\$ 239,171	\$ 9,823,784	\$ 4,911,892	\$ 4,911,892	\$ 9,823,784	
M	City of Port Angeles	Western Port Angeles Harbor	18898	SWRO	Clallam	\$ 1,333,000		\$ 1,333,000					\$ 1,333,000	\$ 666,500	\$ 666,500	\$ 1,333,000	
H		Port Angeles Harbor	18898	SWRO	Clallam	\$ 3,000,000	\$ 900,000	\$ 900,000	\$ 618,000	\$ 530,450	\$ 546,364		\$ 2,594,814	\$ 1,297,407	\$ 1,297,407	\$ 2,594,814	
<b>Total</b>						<b>\$ 13,800,748</b>	<b>\$ 1,650,000</b>	<b>\$ 3,713,250</b>	<b>\$ 5,647,832</b>	<b>\$ 3,372,777</b>	<b>\$ 778,568</b>	<b>\$ 239,171</b>	<b>\$ 13,751,598</b>	<b>\$ 6,875,799</b>	<b>\$ 6,875,799</b>	<b>\$ 13,751,598</b>	
<b>Wyckoff (all LTCA)</b>																	
H		Wyckoff Treatment Plant	152	HQ	Kitsap	\$ 6,200,000	\$ 2,000,000	\$ 2,000,000	\$ 2,060,000	\$ 1,060,900	\$ 655,636	\$ 675,305	\$ 6,451,841	\$ 3,225,921	\$ 3,225,921	\$ 6,451,841	
H		Wyckoff Soil and Groundwater	152	HQ	Kitsap	\$ 7,750,000	\$ 1,000,000	\$ 1,000,000	\$ 3,090,000	\$ 3,182,700	\$ 546,364	\$ 281,377	\$ 8,100,441	\$ 4,050,220	\$ 4,050,220	\$ 8,100,441	
H		Wyckoff East Harbor	152	HQ	Kitsap	\$ 3,965,000	\$ 65,000	\$ 65,000	\$ 2,575,000	\$ 1,060,900	\$ 218,545	\$ 225,102	\$ 4,144,547	\$ 2,072,274	\$ 2,072,274	\$ 4,144,547	
<b>Total</b>						<b>\$ 17,915,000</b>	<b>\$ 3,065,000</b>	<b>\$ 3,065,000</b>	<b>\$ 7,725,000</b>	<b>\$ 5,304,500</b>	<b>\$ 1,420,545</b>	<b>\$ 1,181,784</b>	<b>\$ 18,696,829</b>	<b>\$ 9,348,415</b>	<b>\$ 9,348,415</b>	<b>\$ 18,696,829</b>	
<b>Budd Inlet (LTCA &amp; STCA)</b>																	
H	Port of Olympia	Budd Inlet Sediments	3097108	SWRO	Thurston	\$ 138,420,000	\$ 6,250,000	\$ 28,900,000	\$ 53,117,100	\$ 61,373,065	\$ 109,273		\$ 143,499,438	\$ 71,749,719	\$ 71,749,719	\$ 143,499,438	\$ 6,840,000
M (STCA)		Lower Budd Inlet-Bay-Wide	3097108	SWRO	Thurston	\$ 200,000	\$ 200,000	\$ 200,000					\$ 200,000	\$ 100,000	\$ 100,000	\$ 200,000	
L		Lower Budd Inlet - Remedial Investigation	3097108	SWRO	Thurston	\$ 400,000		\$ 400,000					\$ 400,000	\$ 200,000	\$ 200,000	\$ 400,000	
<b>Total</b>						<b>\$ 139,020,000</b>	<b>\$ 6,450,000</b>	<b>\$ 29,500,000</b>	<b>\$ 53,117,100</b>	<b>\$ 61,373,065</b>	<b>\$ 109,273</b>	<b>\$ -</b>	<b>\$ 144,099,438</b>	<b>\$ 72,049,719</b>	<b>\$ 72,049,719</b>	<b>\$ 144,099,438</b>	
<b>Bellingham Bay (LTCA &amp; STCA)</b>																	
H	Port of Bellingham	Whatcom Waterway	2899	NWRO	Whatcom	\$ 87,250,000		\$ 46,350,000	\$ 23,605,025	\$ 21,854,540			\$ 91,809,565	\$ 45,904,783	\$ 45,904,783	\$ 91,809,565	
M (STCA)		Bellingham Bay Site - Habitat Restoration	2899	NWRO	Whatcom	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000					\$ 1,500,000	\$ 750,000	\$ 750,000	\$ 1,500,000	
<b>Total</b>						<b>\$ 88,750,000</b>	<b>\$ 1,500,000</b>	<b>\$ 1,500,000</b>	<b>\$ 46,350,000</b>	<b>\$ 23,605,025</b>	<b>\$ 21,854,540</b>	<b>\$ -</b>	<b>\$ 93,309,565</b>	<b>\$ 46,654,783</b>	<b>\$ 46,654,783</b>	<b>\$ 93,309,565</b>	
H	Port of Everett	Weyerhaeuser Mill A	1884322	NWRO	Snohomish	\$ 26,100,000		\$ 6,000,000	\$ 15,450,000	\$ 5,357,545	\$ 54,636		\$ 26,862,181	\$ 13,431,091	\$ 13,431,091	\$ 26,862,181	
H	Port of Tacoma	Portac Inc	1215	SWRO	Pierce	\$ 12,000,000		\$ 6,300,000	\$ 5,871,000				\$ 12,171,000	\$ 6,085,500	\$ 6,085,500	\$ 12,171,000	
H	Port of Bellingham	Harris Ave Shipyard	2922	NWRO	Whatcom	\$ 18,940,000	\$ 600,000	\$ 18,940,000					\$ 18,940,000	\$ 9,470,000	\$ 9,470,000	\$ 18,940,000	
H	Port of Bellingham	GP West Mill site	14	NWRO	Whatcom	\$ 11,020,000	\$ 4,000,000	\$ 11,020,000					\$ 11,020,000	\$ 5,510,000	\$ 5,510,000	\$ 11,020,000	
H	Port of Seattle	Lora Lake Apts	1880040	NWRO	King	\$ 20,000,000	\$ 5,000,000	\$ 8,500,000	\$ 11,587,500	\$ 265,225			\$ 20,352,725	\$ 10,176,363	\$ 10,176,363	\$ 20,352,725	
H	Port of Bellingham	I&J Waterway	3145643	NWRO	Whatcom	\$ 12,150,000	\$ 1,000,000	\$ 12,150,000					\$ 12,150,000	\$ 6,075,000	\$ 6,075,000	\$ 12,150,000	
H	City of Yakima	Yakima City Landfill	1927	CRO	Yakima	\$ 20,000,000		\$ 15,000,000	\$ 2,060,000	\$ 2,121,800	\$ 1,092,727		\$ 20,274,527	\$ 10,137,264	\$ 10,137,264	\$ 20,274,527	\$ 5,000,000
M	City of Seattle	Seattle S Transfer Station/South Park Landfill	2180	NWRO	King	\$ 16,100,000		\$ 5,000,000	\$ 11,433,000				\$ 16,433,000	\$ 8,216,500	\$ 8,216,500	\$ 16,433,000	
M	King County	King County's Combined Sewer Overflow	Multiple	NWRO	King	\$ 13,586,400		\$ 13,586,400					\$ 13,586,400	\$ 6,793,200	\$ 6,793,200	\$ 13,586,400	
M	Port of Tacoma	Pier 4	N/A	SWRO	Pierce	\$ 20,000,000		\$ 20,000,000					\$ 20,000,000	\$ 10,000,000	\$ 10,000,000	\$ 20,000,000	
L	Port of Tacoma	Arkema Inc	1220	SWRO	Pierce	\$ 42,000,000		\$ 22,000,000	\$ 20,600,000				\$ 42,600,000	\$ 21,300,000	\$ 21,300,000	\$ 42,600,000	
L	Port of Tacoma	Prologis/Don Oline (Taylor Alexander Fill Area)	1403183/1770486	SWRO	Pierce	\$ 10,000,000		\$ 5,000,000	\$ 5,150,000				\$ 10,150,000	\$ 5,075,000	\$ 5,075,000	\$ 10,150,000	
L	Port of Longview	Berth 4 Upland Area		SWRO	Cowlitz	\$ 10,000,000		\$ 10,000,000					\$ 10,000,000	\$ 5,000,000	\$ 5,000,000	\$ 10,000,000	
<b>Grand Total</b>						<b>\$ 1,084,350,953</b>	<b>\$ 26,496,000</b>	<b>\$ 288,376,506</b>	<b>\$ 319,479,493</b>	<b>\$ 282,733,861</b>	<b>\$ 161,162,107</b>	<b>\$ 85,244,907</b>	<b>\$ 1,136,996,874</b>	<b>\$ 568,498,437</b>	<b>\$ 568,498,437</b>	<b>\$ 1,136,996,874</b>	<b>\$ 11,840,000</b>

Table 4. Projects over \$10 million: Estimated total project costs (combined state and local government share)

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## **Appendix A: MTCA Statutory Language (RCW 70.105D.030(5))**

(5) Before September 20th of each even-numbered year, the department shall:

- (a) Develop a comprehensive ten-year financing report in coordination with all local governments with clean-up responsibilities that identifies the projected biennial hazardous waste site remedial action needs that are eligible for funding from the state and local toxics control account and the environmental legacy stewardship account;
- (b) Work with local governments to develop working capital reserves to be incorporated in the ten-year financing report;
- (c) Identify the projected remedial action needs for orphaned, abandoned, and other clean-up sites that are eligible for funding from the state toxics control account;
- (d) Project the remedial action need, cost, revenue, and any recommended working capital reserve estimate to the next biennium's long-term remedial action needs from both the local and state toxics control account and the environmental legacy stewardship account, and submit this information to the appropriate standing fiscal and environmental committees of the senate and house of representatives. This submittal must also include a ranked list of such remedial action projects for both accounts. The submittal must also identify separate budget estimates for large, multibiennia clean-up projects that exceed ten million dollars. The department shall prepare its ten-year capital budget plan that is submitted to the office of financial management to reflect the separate budget estimates for these large clean-up projects and include information on the anticipated private and public funding obligations for completion of the relevant projects.

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**Appendix B: Substitute House Bill 1761 (2007), Second Engrossed Second Substitute Senate Bill 5296 (2013) and House Bill 2079 (2013)**

CERTIFICATION OF ENROLLMENT

**SUBSTITUTE HOUSE BILL 1761**

Chapter 446, Laws of 2007

60th Legislature  
2007 Regular Session

HAZARDOUS WASTE CLEANUP

EFFECTIVE DATE: 07/22/07

Passed by the House April 14, 2007  
Yeas 93 Nays 0

FRANK CHOPP

\_\_\_\_\_  
**Speaker of the House of Representatives**

Passed by the Senate April 10, 2007  
Yeas 48 Nays 0

BRAD OWEN

\_\_\_\_\_  
**President of the Senate**

Approved May 11, 2007, 11:27 a.m.

CHRISTINE GREGOIRE

\_\_\_\_\_  
**Governor of the State of Washington**

CERTIFICATE

I, Richard Nafziger, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 1761** as passed by the House of Representatives and the Senate on the dates hereon set forth.

RICHARD NAFZIGER

\_\_\_\_\_  
**Chief Clerk**

FILED

May 11, 2007

**Secretary of State  
State of Washington**

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**SUBSTITUTE HOUSE BILL 1761**

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AS AMENDED BY THE SENATE

Passed Legislature - 2007 Regular Session

**State of Washington                      60th Legislature                      2007 Regular Session**

**By** House Committee on Capital Budget (originally sponsored by Representatives Linville, Hunter, Priest, Hunt, B. Sullivan, Upthegrove, Kessler, Sump, Hankins, Jarrett, Fromhold, Appleton, Rolfes, Darneille, Campbell, Conway, Green, O'Brien, Schual-Berke, Simpson, Ormsby and Chase)

READ FIRST TIME 3/5/07.

1            AN ACT Relating to expediting the cleanup of hazardous waste and  
2 creating incentives for Puget Sound cleanups; and amending RCW  
3 70.105D.030 and 70.105D.070.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5            **Sec. 1.** RCW 70.105D.030 and 2002 c 288 s 3 are each amended to  
6 read as follows:

7            (1) The department may exercise the following powers in addition to  
8 any other powers granted by law:

9            (a) Investigate, provide for investigating, or require potentially  
10 liable persons to investigate any releases or threatened releases of  
11 hazardous substances, including but not limited to inspecting,  
12 sampling, or testing to determine the nature or extent of any release  
13 or threatened release. If there is a reasonable basis to believe that  
14 a release or threatened release of a hazardous substance may exist, the  
15 department's authorized employees, agents, or contractors may enter  
16 upon any property and conduct investigations. The department shall  
17 give reasonable notice before entering property unless an emergency  
18 prevents such notice. The department may by subpoena require the

1 attendance or testimony of witnesses and the production of documents or  
2 other information that the department deems necessary;

3 (b) Conduct, provide for conducting, or require potentially liable  
4 persons to conduct remedial actions (including investigations under (a)  
5 of this subsection) to remedy releases or threatened releases of  
6 hazardous substances. In carrying out such powers, the department's  
7 authorized employees, agents, or contractors may enter upon property.  
8 The department shall give reasonable notice before entering property  
9 unless an emergency prevents such notice. In conducting, providing  
10 for, or requiring remedial action, the department shall give preference  
11 to permanent solutions to the maximum extent practicable and shall  
12 provide for or require adequate monitoring to ensure the effectiveness  
13 of the remedial action;

14 (c) Indemnify contractors retained by the department for carrying  
15 out investigations and remedial actions, but not for any contractor's  
16 reckless or wilful misconduct;

17 (d) Carry out all state programs authorized under the federal  
18 cleanup law and the federal resource, conservation, and recovery act,  
19 42 U.S.C. Sec. 6901 et seq., as amended;

20 (e) Classify substances as hazardous substances for purposes of RCW  
21 70.105D.020(7) and classify substances and products as hazardous  
22 substances for purposes of RCW 82.21.020(1);

23 (f) Issue orders or enter into consent decrees or agreed orders  
24 that include, or issue written opinions under (i) of this subsection  
25 that may be conditioned upon, deed restrictions where necessary to  
26 protect human health and the environment from a release or threatened  
27 release of a hazardous substance from a facility. Prior to  
28 establishing a deed restriction under this subsection, the department  
29 shall notify and seek comment from a city or county department with  
30 land use planning authority for real property subject to a deed  
31 restriction;

32 (g) Enforce the application of permanent and effective  
33 institutional controls that are necessary for a remedial action to be  
34 protective of human health and the environment and the notification  
35 requirements established in RCW 70.105D.110, and impose penalties for  
36 violations of that section consistent with RCW 70.105D.050;

37 (h) Require holders to conduct remedial actions necessary to abate

1 an imminent or substantial endangerment pursuant to RCW  
2 70.105D.020(12)(b)(ii)(C);

3 (i) Provide informal advice and assistance to persons regarding the  
4 administrative and technical requirements of this chapter. This may  
5 include site-specific advice to persons who are conducting or otherwise  
6 interested in independent remedial actions. Any such advice or  
7 assistance shall be advisory only, and shall not be binding on the  
8 department. As a part of providing this advice and assistance for  
9 independent remedial actions, the department may prepare written  
10 opinions regarding whether the independent remedial actions or  
11 proposals for those actions meet the substantive requirements of this  
12 chapter or whether the department believes further remedial action is  
13 necessary at the facility. The department may collect, from persons  
14 requesting advice and assistance, the costs incurred by the department  
15 in providing such advice and assistance; however, the department shall,  
16 where appropriate, waive collection of costs in order to provide an  
17 appropriate level of technical assistance in support of public  
18 participation. The state, the department, and officers and employees  
19 of the state are immune from all liability, and no cause of action of  
20 any nature may arise from any act or omission in providing, or failing  
21 to provide, informal advice and assistance; and

22 (j) Take any other actions necessary to carry out the provisions of  
23 this chapter, including the power to adopt rules under chapter 34.05  
24 RCW.

25 (2) The department shall immediately implement all provisions of  
26 this chapter to the maximum extent practicable, including investigative  
27 and remedial actions where appropriate. The department shall adopt,  
28 and thereafter enforce, rules under chapter 34.05 RCW to:

29 (a) Provide for public participation, including at least (i) public  
30 notice of the development of investigative plans or remedial plans for  
31 releases or threatened releases and (ii) concurrent public notice of  
32 all compliance orders, agreed orders, enforcement orders, or notices of  
33 violation;

34 (b) Establish a hazard ranking system for hazardous waste sites;

35 (c) Provide for requiring the reporting by an owner or operator of  
36 releases of hazardous substances to the environment that may be a  
37 threat to human health or the environment within ninety days of

1 discovery, including such exemptions from reporting as the department  
2 deems appropriate, however this requirement shall not modify any  
3 existing requirements provided for under other laws;

4 (d) Establish reasonable deadlines not to exceed ninety days for  
5 initiating an investigation of a hazardous waste site after the  
6 department receives notice or otherwise receives information that the  
7 site may pose a threat to human health or the environment and other  
8 reasonable deadlines for remedying releases or threatened releases at  
9 the site;

10 (e) Publish and periodically update minimum cleanup standards for  
11 remedial actions at least as stringent as the cleanup standards under  
12 section 121 of the federal cleanup law, 42 U.S.C. Sec. 9621, and at  
13 least as stringent as all applicable state and federal laws, including  
14 health-based standards under state and federal law; and

15 (f) Apply industrial clean-up standards at industrial properties.  
16 Rules adopted under this subsection shall ensure that industrial  
17 properties cleaned up to industrial standards cannot be converted to  
18 nonindustrial uses without approval from the department. The  
19 department may require that a property cleaned up to industrial  
20 standards is cleaned up to a more stringent applicable standard as a  
21 condition of conversion to a nonindustrial use. Industrial clean-up  
22 standards may not be applied to industrial properties where hazardous  
23 substances remaining at the property after remedial action pose a  
24 threat to human health or the environment in adjacent nonindustrial  
25 areas.

26 (3) To achieve and protect the state's long-term ecological health,  
27 the department shall prioritize sufficient funding to clean up  
28 hazardous waste sites and prevent the creation of future hazards due to  
29 improper disposal of toxic wastes, and create financing tools to clean  
30 up large-scale hazardous waste sites requiring multiyear commitments.  
31 To effectively monitor toxic accounts expenditures, the department  
32 shall develop a comprehensive ten-year financing report that identifies  
33 long-term remedial action project costs, tracks expenses, and projects  
34 future needs.

35 (4) Before ((~~November 1st~~)) December 20th of each even-numbered  
36 year, the department shall ((~~develop, with public notice and hearing,~~  
37 ~~and submit to~~)):

1       (a) Develop a comprehensive ten-year financing report in  
2 coordination with all local governments with clean-up responsibilities  
3 that identifies the projected biennial hazardous waste site remedial  
4 action needs that are eligible for funding from the local toxics  
5 control account;

6       (b) Work with local governments to develop working capital reserves  
7 to be incorporated in the ten-year financing report;

8       (c) Identify the projected remedial action needs for orphaned,  
9 abandoned, and other clean-up sites that are eligible for funding from  
10 the state toxics control account;

11       (d) Project the remedial action need, cost, revenue, and any  
12 recommended working capital reserve estimate to the next biennium's  
13 long-term remedial action needs from both the local toxics control  
14 account and the state toxics control account, and submit this  
15 information to the ((ways and means and)) appropriate standing fiscal  
16 and environmental committees of the senate and house of representatives  
17 ((a ranked list of projects and expenditures recommended for  
18 appropriation from both the state and local toxics control accounts.  
19 The department shall also)). This submittal must also include a ranked  
20 list of such remedial action projects for both accounts; and

21       (e) Provide the legislature and the public each year with an  
22 accounting of the department's activities supported by appropriations  
23 from the state and local toxics control accounts, including a list of  
24 known hazardous waste sites and their hazard rankings, actions taken  
25 and planned at each site, how the department is meeting its ((top two))  
26 waste management priorities under RCW 70.105.150, and all funds  
27 expended under this chapter.

28       ~~((4))~~ (5) The department shall establish a scientific advisory  
29 board to render advice to the department with respect to the hazard  
30 ranking system, cleanup standards, remedial actions, deadlines for  
31 remedial actions, monitoring, the classification of substances as  
32 hazardous substances for purposes of RCW 70.105D.020(7) and the  
33 classification of substances or products as hazardous substances for  
34 purposes of RCW 82.21.020(1). The board shall consist of five  
35 independent members to serve staggered three-year terms. No members  
36 may be employees of the department. Members shall be reimbursed for  
37 travel expenses as provided in RCW 43.03.050 and 43.03.060.

1        ~~((5))~~ (6) The department shall establish a program to identify  
2 potential hazardous waste sites and to encourage persons to provide  
3 information about hazardous waste sites.

4        **Sec. 2.** RCW 70.105D.070 and 2005 c 488 s 926 are each amended to  
5 read as follows:

6        (1) The state toxics control account and the local toxics control  
7 account are hereby created in the state treasury.

8        (2) The following moneys shall be deposited into the state toxics  
9 control account: (a) Those revenues which are raised by the tax  
10 imposed under RCW 82.21.030 and which are attributable to that portion  
11 of the rate equal to thirty-three one-hundredths of one percent; (b)  
12 the costs of remedial actions recovered under this chapter or chapter  
13 70.105A RCW; (c) penalties collected or recovered under this chapter;  
14 and (d) any other money appropriated or transferred to the account by  
15 the legislature. Moneys in the account may be used only to carry out  
16 the purposes of this chapter, including but not limited to the  
17 following activities:

18        (i) The state's responsibility for hazardous waste planning,  
19 management, regulation, enforcement, technical assistance, and public  
20 education required under chapter 70.105 RCW;

21        (ii) The state's responsibility for solid waste planning,  
22 management, regulation, enforcement, technical assistance, and public  
23 education required under chapter 70.95 RCW;

24        (iii) The hazardous waste cleanup program required under this  
25 chapter;

26        (iv) State matching funds required under the federal cleanup law;

27        (v) Financial assistance for local programs in accordance with  
28 chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

29        (vi) State government programs for the safe reduction, recycling,  
30 or disposal of hazardous wastes from households, small businesses, and  
31 agriculture;

32        (vii) Hazardous materials emergency response training;

33        (viii) Water and environmental health protection and monitoring  
34 programs;

35        (ix) Programs authorized under chapter 70.146 RCW;

36        (x) A public participation program, including regional citizen  
37 advisory committees;



1 (xi) Public funding to assist potentially liable persons to pay for  
2 the costs of remedial action in compliance with cleanup standards under  
3 RCW 70.105D.030(2)(e) but only when the amount and terms of such  
4 funding are established under a settlement agreement under RCW  
5 70.105D.040(4) and when the director has found that the funding will  
6 achieve both (A) a substantially more expeditious or enhanced cleanup  
7 than would otherwise occur, and (B) the prevention or mitigation of  
8 unfair economic hardship; and

9 (xii) Development and demonstration of alternative management  
10 technologies designed to carry out the (~~top two~~) hazardous waste  
11 management priorities of RCW 70.105.150.

12 (3) The following moneys shall be deposited into the local toxics  
13 control account: Those revenues which are raised by the tax imposed  
14 under RCW 82.21.030 and which are attributable to that portion of the  
15 rate equal to thirty-seven one-hundredths of one percent.

16 (a) Moneys deposited in the local toxics control account shall be  
17 used by the department for grants or loans to local governments for the  
18 following purposes in descending order of priority: (i) Remedial  
19 actions; (ii) hazardous waste plans and programs under chapter 70.105  
20 RCW; (iii) solid waste plans and programs under chapters 70.95, 70.95C,  
21 70.95I, and 70.105 RCW; (iv) funds for a program to assist in the  
22 assessment and cleanup of sites of methamphetamine production, but not  
23 to be used for the initial containment of such sites, consistent with  
24 the responsibilities and intent of RCW 69.50.511; and (v) cleanup and  
25 disposal of hazardous substances from abandoned or derelict vessels  
26 that pose a threat to human health or the environment. For purposes of  
27 this subsection (3)(a)(v), "abandoned or derelict vessels" means  
28 vessels that have little or no value and either have no identified  
29 owner or have an identified owner lacking financial resources to clean  
30 up and dispose of the vessel. Funds for plans and programs shall be  
31 allocated consistent with the priorities and matching requirements  
32 established in chapters 70.105, 70.95C, 70.95I, and 70.95 RCW. During  
33 the 1999-2001 fiscal biennium, moneys in the account may also be used  
34 for the following activities: Conducting a study of whether dioxins  
35 occur in fertilizers, soil amendments, and soils; reviewing  
36 applications for registration of fertilizers; and conducting a study of  
37 plant uptake of metals. During the 2005-2007 fiscal biennium, the  
38 legislature may transfer from the local toxics control account to the

1 state toxics control account such amounts as specified in the omnibus  
2 capital budget bill. During the 2005-2007 fiscal biennium, moneys in  
3 the account may also be used for grants to local governments to  
4 retrofit public sector diesel equipment and for storm water planning  
5 and implementation activities.

6 (b) Funds may also be appropriated to the department of health to  
7 implement programs to reduce testing requirements under the federal  
8 safe drinking water act for public water systems. The department of  
9 health shall reimburse the account from fees assessed under RCW  
10 70.119A.115 by June 30, 1995.

11 (c) To expedite cleanups throughout the state, the department shall  
12 partner with local communities and liable parties for cleanups. The  
13 department is authorized to use the following additional strategies in  
14 order to ensure a healthful environment for future generations:

15 (i) The director may alter grant-matching requirements to create  
16 incentives for local governments to expedite cleanups when one of the  
17 following conditions exists:

18 (A) Funding would prevent or mitigate unfair economic hardship  
19 imposed by the clean-up liability;

20 (B) Funding would create new substantial economic development,  
21 public recreational, or habitat restoration opportunities that would  
22 not otherwise occur; or

23 (C) Funding would create an opportunity for acquisition and  
24 redevelopment of vacant, orphaned, or abandoned property under RCW  
25 70.105D.040(5) that would not otherwise occur;

26 (ii) The use of outside contracts to conduct necessary studies;

27 (iii) The purchase of remedial action cost-cap insurance, when  
28 necessary to expedite multiparty clean-up efforts.

29 (4) Except for unanticipated receipts under RCW 43.79.260 through  
30 43.79.282, moneys in the state and local toxics control accounts may be  
31 spent only after appropriation by statute.

32 (5) One percent of the moneys deposited into the state and local  
33 toxics control accounts shall be allocated only for public  
34 participation grants to persons who may be adversely affected by a  
35 release or threatened release of a hazardous substance and to not-for-  
36 profit public interest organizations. The primary purpose of these  
37 grants is to facilitate the participation by persons and organizations  
38 in the investigation and remedying of releases or threatened releases

1 of hazardous substances and to implement the state's solid and  
2 hazardous waste management priorities. However, during the 1999-2001  
3 fiscal biennium, funding may not be granted to entities engaged in  
4 lobbying activities, and applicants may not be awarded grants if their  
5 cumulative grant awards under this section exceed two hundred thousand  
6 dollars. No grant may exceed sixty thousand dollars. Grants may be  
7 renewed annually. Moneys appropriated for public participation from  
8 either account which are not expended at the close of any biennium  
9 shall revert to the state toxics control account.

10 (6) No moneys deposited into either the state or local toxics  
11 control account may be used for solid waste incinerator feasibility  
12 studies, construction, maintenance, or operation.

13 (7) The department shall adopt rules for grant or loan issuance and  
14 performance.

15 (8) During the 2005-2007 fiscal biennium, the legislature may  
16 transfer from the state toxics control account to the water quality  
17 account such amounts as reflect the excess fund balance of the fund.

Passed by the House April 14, 2007.

Passed by the Senate April 10, 2007.

Approved by the Governor May 11, 2007.

Filed in Office of Secretary of State May 11, 2007.

CERTIFICATION OF ENROLLMENT

**SECOND ENGROSSED SECOND SUBSTITUTE SENATE BILL 5296**

Chapter 1, Laws of 2013

63rd Legislature  
2013 2nd Special Session

MODEL TOXICS CONTROL ACT

EFFECTIVE DATE: 07/01/13 - Except for section 16, which is contingent.

Passed by the Senate June 13, 2013  
YEAS 36 NAYS 13

TIM SHELDON

\_\_\_\_\_  
**President of the Senate**

Passed by the House June 13, 2013  
YEAS 67 NAYS 18

FRANK CHOPP

\_\_\_\_\_  
**Speaker of the House of Representatives**

Approved June 14, 2013, 12:28 a.m.

JAY INSLEE

\_\_\_\_\_  
**Governor of the State of Washington**

CERTIFICATE

I, Hunter G. Goodman, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SECOND ENGROSSED SECOND SUBSTITUTE SENATE BILL 5296** as passed by the Senate and the House of Representatives on the dates hereon set forth.

HUNTER G. GOODMAN

\_\_\_\_\_  
**Secretary**

FILED

June 14, 2013

**Secretary of State  
State of Washington**

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SECOND ENGROSSED SECOND SUBSTITUTE SENATE BILL 5296

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Passed Legislature - 2013 2nd Special Session

State of Washington                      63rd Legislature                      2013 2nd Special Session

By Senate Ways & Means (originally sponsored by Senators Ericksen, Baumgartner, Rivers, Bailey, Delvin, and Honeyford)

READ FIRST TIME 04/15/13.

1            AN ACT Relating to the model toxics control act; amending RCW  
2 70.105D.020, 70.105D.030, 70.105D.040, 70.105D.050, and 70.105.280;  
3 reenacting and amending RCW 70.105D.070, 43.84.092, and 43.84.092;  
4 adding new sections to chapter 70.105D RCW; adding a new section to  
5 chapter 70.105 RCW; creating new sections; providing an effective date;  
6 providing a contingent effective date; providing a contingent  
7 expiration date; and declaring an emergency.

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

9            NEW SECTION.    **Sec. 1.** The legislature finds that there are a large  
10 number of toxic waste sites that have been identified in the department  
11 of ecology's priority list as ready for immediate cleanup. The  
12 legislature further finds that addressing the cleanup of these toxic  
13 waste sites will provide needed jobs to citizens of Washington state.  
14 It is the intent of the legislature to prioritize the spending of  
15 revenues under chapter 70.105D RCW, the model toxics control act, on  
16 cleaning up the most toxic sites, while also providing jobs in  
17 communities around the state.

1       **Sec. 2.** RCW 70.105D.020 and 2007 c 104 s 18 are each amended to  
2 read as follows:

3       The definitions in this section apply throughout this chapter  
4 unless the context clearly requires otherwise.

5       (1) "Agreed order" means an order issued by the department under  
6 this chapter with which the potentially liable person or prospective  
7 purchaser receiving the order agrees to comply. An agreed order may be  
8 used to require or approve any cleanup or other remedial actions but it  
9 is not a settlement under RCW 70.105D.040(4) and shall not contain a  
10 covenant not to sue, or provide protection from claims for  
11 contribution, or provide eligibility for public funding of remedial  
12 actions under RCW 70.105D.070 (~~((2)(d)(xi))~~) (3)(k) and (q).

13       (2) "Department" means the department of ecology.

14       (3) "Director" means the director of ecology or the director's  
15 designee.

16       (4) "Environmental covenant" has the same meaning as defined in RCW  
17 64.70.020.

18       (5) "Facility" means (a) any building, structure, installation,  
19 equipment, pipe or pipeline (including any pipe into a sewer or  
20 publicly owned treatment works), well, pit, pond, lagoon, impoundment,  
21 ditch, landfill, storage container, motor vehicle, rolling stock,  
22 vessel, or aircraft, or (b) any site or area where a hazardous  
23 substance, other than a consumer product in consumer use, has been  
24 deposited, stored, disposed of, or placed, or otherwise come to be  
25 located.

26       (6) "Federal cleanup law" means the federal comprehensive  
27 environmental response, compensation, and liability act of 1980, 42  
28 U.S.C. Sec. 9601 et seq., as amended by Public Law 99-499.

29       (7)(a) "Fiduciary" means a person acting for the benefit of another  
30 party as a bona fide trustee; executor; administrator; custodian;  
31 guardian of estates or guardian ad litem; receiver; conservator;  
32 committee of estates of incapacitated persons; trustee in bankruptcy;  
33 trustee, under an indenture agreement, trust agreement, lease, or  
34 similar financing agreement, for debt securities, certificates of  
35 interest or certificates of participation in debt securities, or other  
36 forms of indebtedness as to which the trustee is not, in the capacity  
37 of trustee, the lender. Except as provided in subsection (17)(b)(iii)

1 of this section, the liability of a fiduciary under this chapter shall  
2 not exceed the assets held in the fiduciary capacity.

3 (b) "Fiduciary" does not mean:

4 (i) A person acting as a fiduciary with respect to a trust or other  
5 fiduciary estate that was organized for the primary purpose of, or is  
6 engaged in, actively carrying on a trade or business for profit, unless  
7 the trust or other fiduciary estate was created as part of, or to  
8 facilitate, one or more estate plans or because of the incapacity of a  
9 natural person;

10 (ii) A person who acquires ownership or control of a facility with  
11 the objective purpose of avoiding liability of the person or any other  
12 person. It is prima facie evidence that the fiduciary acquired  
13 ownership or control of the facility to avoid liability if the facility  
14 is the only substantial asset in the fiduciary estate at the time the  
15 facility became subject to the fiduciary estate;

16 (iii) A person who acts in a capacity other than that of a  
17 fiduciary or in a beneficiary capacity and in that capacity directly or  
18 indirectly benefits from a trust or fiduciary relationship;

19 (iv) A person who is a beneficiary and fiduciary with respect to  
20 the same fiduciary estate, and who while acting as a fiduciary receives  
21 benefits that exceed customary or reasonable compensation, and  
22 incidental benefits permitted under applicable law;

23 (v) A person who is a fiduciary and receives benefits that  
24 substantially exceed customary or reasonable compensation, and  
25 incidental benefits permitted under applicable law; or

26 (vi) A person who acts in the capacity of trustee of state or  
27 federal lands or resources.

28 (8) "Fiduciary capacity" means the capacity of a person holding  
29 title to a facility, or otherwise having control of an interest in the  
30 facility pursuant to the exercise of the responsibilities of the person  
31 as a fiduciary.

32 (9) "Foreclosure and its equivalents" means purchase at a  
33 foreclosure sale, acquisition, or assignment of title in lieu of  
34 foreclosure, termination of a lease, or other repossession, acquisition  
35 of a right to title or possession, an agreement in satisfaction of the  
36 obligation, or any other comparable formal or informal manner, whether  
37 pursuant to law or under warranties, covenants, conditions,

1 representations, or promises from the borrower, by which the holder  
2 acquires title to or possession of a facility securing a loan or other  
3 obligation.

4 (10) "Hazardous substance" means:

5 (a) Any dangerous or extremely hazardous waste as defined in RCW  
6 70.105.010 (~~((+5) and (+6))~~) (1) and (7), or any dangerous or extremely  
7 dangerous waste designated by rule pursuant to chapter 70.105 RCW;

8 (b) Any hazardous substance as defined in RCW 70.105.010(~~((+14))~~)  
9 (10) or any hazardous substance as defined by rule pursuant to chapter  
10 70.105 RCW;

11 (c) Any substance that, on March 1, 1989, is a hazardous substance  
12 under section 101(14) of the federal cleanup law, 42 U.S.C. Sec.  
13 9601(14);

14 (d) Petroleum or petroleum products; and

15 (e) Any substance or category of substances, including solid waste  
16 decomposition products, determined by the director by rule to present  
17 a threat to human health or the environment if released into the  
18 environment.

19 The term hazardous substance does not include any of the following  
20 when contained in an underground storage tank from which there is not  
21 a release: Crude oil or any fraction thereof or petroleum, if the tank  
22 is in compliance with all applicable federal, state, and local law.

23 (11) "Holder" means a person who holds indicia of ownership  
24 primarily to protect a security interest. A holder includes the  
25 initial holder such as the loan originator, any subsequent holder such  
26 as a successor-in-interest or subsequent purchaser of the security  
27 interest on the secondary market, a guarantor of an obligation, surety,  
28 or any other person who holds indicia of ownership primarily to protect  
29 a security interest, or a receiver, court-appointed trustee, or other  
30 person who acts on behalf or for the benefit of a holder. A holder can  
31 be a public or privately owned financial institution, receiver,  
32 conservator, loan guarantor, or other similar persons that loan money  
33 or guarantee repayment of a loan. Holders typically are banks or  
34 savings and loan institutions but may also include others such as  
35 insurance companies, pension funds, or private individuals that engage  
36 in loaning of money or credit.

37 (12) "Independent remedial actions" means remedial actions



1 conducted without department oversight or approval, and not under an  
2 order, agreed order, or consent decree.

3 (13) "Indicia of ownership" means evidence of a security interest,  
4 evidence of an interest in a security interest, or evidence of an  
5 interest in a facility securing a loan or other obligation, including  
6 any legal or equitable title to a facility acquired incident to  
7 foreclosure and its equivalents. Evidence of such interests includes,  
8 mortgages, deeds of trust, sellers interest in a real estate contract,  
9 liens, surety bonds, and guarantees of obligations, title held pursuant  
10 to a lease financing transaction in which the lessor does not select  
11 initially the leased facility, or legal or equitable title obtained  
12 pursuant to foreclosure and their equivalents. Evidence of such  
13 interests also includes assignments, pledges, or other rights to or  
14 other forms of encumbrance against the facility that are held primarily  
15 to protect a security interest.

16 (14) "Industrial properties" means properties that are or have been  
17 characterized by, or are to be committed to, traditional industrial  
18 uses such as processing or manufacturing of materials, marine terminal  
19 and transportation areas and facilities, fabrication, assembly,  
20 treatment, or distribution of manufactured products, or storage of bulk  
21 materials, that are either:

22 (a) Zoned for industrial use by a city or county conducting land  
23 use planning under chapter 36.70A RCW; or

24 (b) For counties not planning under chapter 36.70A RCW and the  
25 cities within them, zoned for industrial use and adjacent to properties  
26 currently used or designated for industrial purposes.

27 (15) "Institutional controls" means measures undertaken to limit or  
28 prohibit activities that may interfere with the integrity of a remedial  
29 action or result in exposure to or migration of hazardous substances at  
30 a site. "Institutional controls" include environmental covenants.

31 (16) "Operating a facility primarily to protect a security  
32 interest" occurs when all of the following are met: (a) Operating the  
33 facility where the borrower has defaulted on the loan or otherwise  
34 breached the security agreement; (b) operating the facility to preserve  
35 the value of the facility as an ongoing business; (c) the operation is  
36 being done in anticipation of a sale, transfer, or assignment of the  
37 facility; and (d) the operation is being done primarily to protect a

1 security interest. Operating a facility for longer than one year prior  
2 to foreclosure or its equivalents shall be presumed to be operating the  
3 facility for other than to protect a security interest.

4 (17) "Owner or operator" means:

5 (a) Any person with any ownership interest in the facility or who  
6 exercises any control over the facility; or

7 (b) In the case of an abandoned facility, any person who had owned,  
8 or operated, or exercised control over the facility any time before its  
9 abandonment;

10 The term does not include:

11 (i) An agency of the state or unit of local government which  
12 acquired ownership or control through a drug forfeiture action under  
13 RCW 69.50.505, or involuntarily through bankruptcy, tax delinquency,  
14 abandonment, or other circumstances in which the government  
15 involuntarily acquires title. This exclusion does not apply to an  
16 agency of the state or unit of local government which has caused or  
17 contributed to the release or threatened release of a hazardous  
18 substance from the facility;

19 (ii) A person who, without participating in the management of a  
20 facility, holds indicia of ownership primarily to protect the person's  
21 security interest in the facility. Holders after foreclosure and its  
22 equivalent and holders who engage in any of the activities identified  
23 in subsection (18)(e) through (g) of this section shall not lose this  
24 exemption provided the holder complies with all of the following:

25 (A) The holder properly maintains the environmental compliance  
26 measures already in place at the facility;

27 (B) The holder complies with the reporting requirements in the  
28 rules adopted under this chapter;

29 (C) The holder complies with any order issued to the holder by the  
30 department to abate an imminent or substantial endangerment;

31 (D) The holder allows the department or potentially liable persons  
32 under an order, agreed order, or settlement agreement under this  
33 chapter access to the facility to conduct remedial actions and does not  
34 impede the conduct of such remedial actions;

35 (E) Any remedial actions conducted by the holder are in compliance  
36 with any preexisting requirements identified by the department, or, if  
37 the department has not identified such requirements for the facility,

1 the remedial actions are conducted consistent with the rules adopted  
2 under this chapter; and

3 (F) The holder does not exacerbate an existing release. The  
4 exemption in this subsection (17)(b)(ii) does not apply to holders who  
5 cause or contribute to a new release or threatened release or who are  
6 otherwise liable under RCW 70.105D.040(1) (b), (c), (d), and (e);  
7 provided, however, that a holder shall not lose this exemption if it  
8 establishes that any such new release has been remediated according to  
9 the requirements of this chapter and that any hazardous substances  
10 remaining at the facility after remediation of the new release are  
11 divisible from such new release;

12 (iii) A fiduciary in his, her, or its personal or individual  
13 capacity. This exemption does not preclude a claim against the assets  
14 of the estate or trust administered by the fiduciary or against a  
15 nonemployee agent or independent contractor retained by a fiduciary.  
16 This exemption also does not apply to the extent that a person is  
17 liable under this chapter independently of the person's ownership as a  
18 fiduciary or for actions taken in a fiduciary capacity which cause or  
19 contribute to a new release or exacerbate an existing release of  
20 hazardous substances. This exemption applies provided that, to the  
21 extent of the fiduciary's powers granted by law or by the applicable  
22 governing instrument granting fiduciary powers, the fiduciary complies  
23 with all of the following:

24 (A) The fiduciary properly maintains the environmental compliance  
25 measures already in place at the facility;

26 (B) The fiduciary complies with the reporting requirements in the  
27 rules adopted under this chapter;

28 (C) The fiduciary complies with any order issued to the fiduciary  
29 by the department to abate an imminent or substantial endangerment;

30 (D) The fiduciary allows the department or potentially liable  
31 persons under an order, agreed order, or settlement agreement under  
32 this chapter access to the facility to conduct remedial actions and  
33 does not impede the conduct of such remedial actions;

34 (E) Any remedial actions conducted by the fiduciary are in  
35 compliance with any preexisting requirements identified by the  
36 department, or, if the department has not identified such requirements  
37 for the facility, the remedial actions are conducted consistent with  
38 the rules adopted under this chapter; and

1 (F) The fiduciary does not exacerbate an existing release.

2 The exemption in this subsection (17)(b)(iii) does not apply to  
3 fiduciaries who cause or contribute to a new release or threatened  
4 release or who are otherwise liable under RCW 70.105D.040(1) (b), (c),  
5 (d), and (e); provided however, that a fiduciary shall not lose this  
6 exemption if it establishes that any such new release has been  
7 remediated according to the requirements of this chapter and that any  
8 hazardous substances remaining at the facility after remediation of the  
9 new release are divisible from such new release. The exemption in this  
10 subsection (17)(b)(iii) also does not apply where the fiduciary's  
11 powers to comply with this subsection (17)(b)(iii) are limited by a  
12 governing instrument created with the objective purpose of avoiding  
13 liability under this chapter or of avoiding compliance with this  
14 chapter; or

15 (iv) Any person who has any ownership interest in, operates, or  
16 exercises control over real property where a hazardous substance has  
17 come to be located solely as a result of migration of the hazardous  
18 substance to the real property through the groundwater from a source  
19 off the property, if:

20 (A) The person can demonstrate that the hazardous substance has not  
21 been used, placed, managed, or otherwise handled on the property in a  
22 manner likely to cause or contribute to a release of the hazardous  
23 substance that has migrated onto the property;

24 (B) The person has not caused or contributed to the release of the  
25 hazardous substance;

26 (C) The person does not engage in activities that damage or  
27 interfere with the operation of remedial actions installed on the  
28 person's property or engage in activities that result in exposure of  
29 humans or the environment to the contaminated groundwater that has  
30 migrated onto the property;

31 (D) If requested, the person allows the department, potentially  
32 liable persons who are subject to an order, agreed order, or consent  
33 decree, and the authorized employees, agents, or contractors of each,  
34 access to the property to conduct remedial actions required by the  
35 department. The person may attempt to negotiate an access agreement  
36 before allowing access; and

37 (E) Legal withdrawal of groundwater does not disqualify a person  
38 from the exemption in this subsection (17)(b)(iv).

1 (18) "Participation in management" means exercising decision-making  
2 control over the borrower's operation of the facility, environmental  
3 compliance, or assuming or manifesting responsibility for the overall  
4 management of the enterprise encompassing the day-to-day decision  
5 making of the enterprise.

6 The term does not include any of the following: (a) A holder with  
7 the mere capacity or ability to influence, or the unexercised right to  
8 control facility operations; (b) a holder who conducts or requires a  
9 borrower to conduct an environmental audit or an environmental site  
10 assessment at the facility for which indicia of ownership is held; (c)  
11 a holder who requires a borrower to come into compliance with any  
12 applicable laws or regulations at the facility for which indicia of  
13 ownership is held; (d) a holder who requires a borrower to conduct  
14 remedial actions including setting minimum requirements, but does not  
15 otherwise control or manage the borrower's remedial actions or the  
16 scope of the borrower's remedial actions except to prepare a facility  
17 for sale, transfer, or assignment; (e) a holder who engages in workout  
18 or policing activities primarily to protect the holder's security  
19 interest in the facility; (f) a holder who prepares a facility for  
20 sale, transfer, or assignment or requires a borrower to prepare a  
21 facility for sale, transfer, or assignment; (g) a holder who operates  
22 a facility primarily to protect a security interest, or requires a  
23 borrower to continue to operate, a facility primarily to protect a  
24 security interest; and (h) a prospective holder who, as a condition of  
25 becoming a holder, requires an owner or operator to conduct an  
26 environmental audit, conduct an environmental site assessment, come  
27 into compliance with any applicable laws or regulations, or conduct  
28 remedial actions prior to holding a security interest is not  
29 participating in the management of the facility.

30 (19) "Person" means an individual, firm, corporation, association,  
31 partnership, consortium, joint venture, commercial entity, state  
32 government agency, unit of local government, federal government agency,  
33 or Indian tribe.

34 (20) "Policing activities" means actions the holder takes to ensure  
35 that the borrower complies with the terms of the loan or security  
36 interest or actions the holder takes or requires the borrower to take  
37 to maintain the value of the security. Policing activities include:  
38 Requiring the borrower to conduct remedial actions at the facility

1 during the term of the security interest; requiring the borrower to  
2 comply or come into compliance with applicable federal, state, and  
3 local environmental and other laws, regulations, and permits during the  
4 term of the security interest; securing or exercising authority to  
5 monitor or inspect the facility including on-site inspections, or to  
6 monitor or inspect the borrower's business or financial condition  
7 during the term of the security interest; or taking other actions  
8 necessary to adequately police the loan or security interest such as  
9 requiring a borrower to comply with any warranties, covenants,  
10 conditions, representations, or promises from the borrower.

11 (21) "Potentially liable person" means any person whom the  
12 department finds, based on credible evidence, to be liable under RCW  
13 70.105D.040. The department shall give notice to any such person and  
14 allow an opportunity for comment before making the finding, unless an  
15 emergency requires otherwise.

16 (22) "Prepare a facility for sale, transfer, or assignment" means  
17 to secure access to the facility; perform routine maintenance on the  
18 facility; remove inventory, equipment, or structures; properly maintain  
19 environmental compliance measures already in place at the facility;  
20 conduct remedial actions to cleanup releases at the facility; or to  
21 perform other similar activities intended to preserve the value of the  
22 facility where the borrower has defaulted on the loan or otherwise  
23 breached the security agreement or after foreclosure and its  
24 equivalents and in anticipation of a pending sale, transfer, or  
25 assignment, primarily to protect the holder's security interest in the  
26 facility. A holder can prepare a facility for sale, transfer, or  
27 assignment for up to one year prior to foreclosure and its equivalents  
28 and still stay within the security interest exemption in subsection  
29 (17)(b)(ii) of this section.

30 (23) "Primarily to protect a security interest" means the indicia  
31 of ownership is held primarily for the purpose of securing payment or  
32 performance of an obligation. The term does not include indicia of  
33 ownership held primarily for investment purposes nor indicia of  
34 ownership held primarily for purposes other than as protection for a  
35 security interest. A holder may have other, secondary reasons, for  
36 maintaining indicia of ownership, but the primary reason must be for  
37 protection of a security interest. Holding indicia of ownership after  
38 foreclosure or its equivalents for longer than five years shall be

1 considered to be holding the indicia of ownership for purposes other  
2 than primarily to protect a security interest. For facilities that  
3 have been acquired through foreclosure or its equivalents prior to July  
4 23, 1995, this five-year period shall begin as of July 23, 1995.

5 (24) "Public notice" means, at a minimum, adequate notice mailed to  
6 all persons who have made timely request of the department and to  
7 persons residing in the potentially affected vicinity of the proposed  
8 action; mailed to appropriate news media; published in the newspaper of  
9 largest circulation in the city or county of the proposed action; and  
10 opportunity for interested persons to comment.

11 (25) "Release" means any intentional or unintentional entry of any  
12 hazardous substance into the environment, including but not limited to  
13 the abandonment or disposal of containers of hazardous substances.

14 (26) "Remedy" or "remedial action" means any action or expenditure  
15 consistent with the purposes of this chapter to identify, eliminate, or  
16 minimize any threat or potential threat posed by hazardous substances  
17 to human health or the environment including any investigative and  
18 monitoring activities with respect to any release or threatened release  
19 of a hazardous substance and any health assessments or health effects  
20 studies conducted in order to determine the risk or potential risk to  
21 human health.

22 (27) "Security interest" means an interest in a facility created or  
23 established for the purpose of securing a loan or other obligation.  
24 Security interests include deeds of trusts, sellers interest in a real  
25 estate contract, liens, legal, or equitable title to a facility  
26 acquired incident to foreclosure and its equivalents, and title  
27 pursuant to lease financing transactions. Security interests may also  
28 arise from transactions such as sale and leasebacks, conditional sales,  
29 installment sales, trust receipt transactions, certain assignments,  
30 factoring agreements, accounts receivable financing arrangements,  
31 easements, and consignments, if the transaction creates or establishes  
32 an interest in a facility for the purpose of securing a loan or other  
33 obligation.

34 (28) "Workout activities" means those actions by which a holder, at  
35 any time prior to foreclosure and its equivalents, seeks to prevent,  
36 cure, or mitigate a default by the borrower or obligor; or to preserve,  
37 or prevent the diminution of, the value of the security. Workout  
38 activities include: Restructuring or renegotiating the terms of the

1 security interest; requiring payment of additional rent or interest;  
2 exercising forbearance; requiring or exercising rights pursuant to an  
3 assignment of accounts or other amounts owed to an obligor; requiring  
4 or exercising rights pursuant to an escrow agreement pertaining to  
5 amounts owed to an obligor; providing specific or general financial or  
6 other advice, suggestions, counseling, or guidance; and exercising any  
7 right or remedy the holder is entitled to by law or under any  
8 warranties, covenants, conditions, representations, or promises from  
9 the borrower.

10 (29) "Areawide groundwater contamination" means groundwater  
11 contamination on multiple adjacent properties with different ownerships  
12 consisting of hazardous substances from multiple sources that have  
13 resulted in commingled plumes of contaminated groundwater that are not  
14 practicable to address separately.

15 (30) "Brownfield property" means previously developed and currently  
16 abandoned or underutilized real property and adjacent surface waters  
17 and sediment where environmental, economic, or community reuse  
18 objectives are hindered by the release or threatened release of  
19 hazardous substances that the department has determined requires  
20 remedial action under this chapter or that the United States  
21 environmental protection agency has determined requires remedial action  
22 under the federal cleanup law.

23 (31) "City" means a city or town.

24 (32) "Local government" means any political subdivision of the  
25 state, including a town, city, county, special purpose district, or  
26 other municipal corporation, including brownfield renewal authority  
27 created under section 5 of this act.

28 (33) "Model remedy" or "model remedial action" means a set of  
29 technologies, procedures, and monitoring protocols identified by the  
30 department for use in routine types of clean-up projects at facilities  
31 that have common features and lower risk to human health and the  
32 environment.

33 (34) "Prospective purchaser" means a person who is not currently  
34 liable for remedial action at a facility and who proposes to purchase,  
35 redevelop, or reuse the facility.

36 (35) "Redevelopment opportunity zone" means a geographic area  
37 designated under section 4 of this act.



1        NEW SECTION.    **Sec. 3.**    A new section is added to chapter 70.105D  
2    RCW to read as follows:

3        (1) The brownfield redevelopment trust fund account is created in  
4    the state treasury. All receipts from the sources identified in  
5    subsection (2) of this section must be deposited into the account.  
6    Moneys in the account may be spent only after appropriation.  
7    Expenditures from the account may be used only as identified in  
8    subsection (4) of this section.

9        (2) The following receipts must be deposited into the brownfield  
10    redevelopment trust fund account:

11        (a) Moneys appropriated by the legislature to the account for a  
12    specific redevelopment opportunity zone established under section 4 of  
13    this act or a specific brownfield renewal authority established under  
14    section 5 of this act;

15        (b) Moneys voluntarily deposited in the account for a specific  
16    redevelopment opportunity zone or a specific brownfield renewal  
17    authority; and

18        (c) Receipts from settlements or court orders that direct payment  
19    to the account for a specific redevelopment opportunity zone to resolve  
20    a person's liability or potential liability under this chapter.

21        (3) If a settlement or court order does not direct payment of  
22    receipts described in subsection (2)(c) of this section into the  
23    brownfield redevelopment trust fund account, then the receipts from any  
24    payment to the state must be deposited into the state toxics control  
25    account established under RCW 70.105D.070.

26        (4) Expenditures from the brownfield redevelopment trust fund  
27    account may only be used for the purposes of remediation and cleanup at  
28    the specific redevelopment opportunity zone or specific brownfield  
29    renewal authority for which the moneys were deposited in the account.

30        (5) The department shall track moneys received, interest earned,  
31    and moneys expended separately for each facility.

32        (6) The account must retain its interest earnings in accordance  
33    with RCW 43.84.092.

34        (7) The local government designating the redevelopment opportunity  
35    zone under section 4 of this act or the associated brownfield renewal  
36    authority created under section 5 of this act must be the beneficiary  
37    of the deposited moneys.

1 (8) All expenditures must be used to conduct remediation and  
2 cleanup consistent with a plan for the remediation and cleanup of the  
3 properties or facilities approved by the department under this chapter.  
4 All expenditures must meet the eligibility requirements for the use by  
5 local governments under the rules for remedial action grants adopted by  
6 the department under this chapter, including requirements for the  
7 expenditure of nonstate match funding.

8 (9) Beginning October 31, 2015, the department must provide a  
9 biennial report to the office of financial management and the  
10 legislature regarding the activity for each specific redevelopment  
11 opportunity zone or specific brownfield renewal authority for which  
12 specific legislative appropriation was provided in the previous two  
13 fiscal years.

14 (10) After the department determines that all remedial actions  
15 within the redevelopment opportunity zone identified in the plan  
16 approved under subsection (8) of this section are completed, including  
17 payment of all cost reasonably attributable to the remedial actions and  
18 cleanup, any remaining moneys must be transferred to the state toxics  
19 control account established under RCW 70.105D.070.

20 (11) If the department determines that substantial progress has not  
21 been made on the plan approved under subsection (8) of this section for  
22 a redevelopment opportunity zone or specific brownfield renewal  
23 authority for which moneys were deposited in the account within six  
24 years, or that the brownfield renewal authority is no longer a viable  
25 entity, then all remaining moneys must be transferred to the state  
26 toxics control account established under RCW 70.105D.070.

27 (12) The department is authorized to adopt rules to implement this  
28 section.

29 NEW SECTION. **Sec. 4.** A new section is added to chapter 70.105D  
30 RCW to read as follows:

31 (1) A city or county may designate a geographic area within its  
32 jurisdiction as a redevelopment opportunity zone if the zone meets the  
33 criteria in this subsection and the city or county adopts a resolution  
34 that includes the following determinations and commitments:

35 (a) At least fifty percent of the upland properties in the zone are  
36 brownfield properties whether or not the properties are contiguous;

1 (b) The upland portions of the zone are comprised entirely of  
2 parcels of property either owned by the city or county or whose owner  
3 has provided consent in writing to have their property included within  
4 the zone;

5 (c) The cleanup of brownfield properties will be integrated with  
6 planning for the future uses of the properties and is consistent with  
7 the comprehensive land use plan for the zone; and

8 (d) The proposed properties lie within the incorporated area of a  
9 city or within an urban growth area designated under RCW 36.70A.110.

10 (2) A port district may designate a redevelopment opportunity zone  
11 when:

12 (a) The port district adopts a resolution that includes the  
13 determinations and commitments required under subsection (1)(a), (c),  
14 and (d) of this section and (c) of this subsection;

15 (b) The zone meets the criteria in subsection (1)(a), (c), and (d)  
16 of this section; and

17 (c) The port district either:

18 (i) Owns in fee all of the upland properties within the zone; or

19 (ii) Owns in fee at least fifty percent of the upland property in  
20 the zone, the owners of other parcels of upland property in the zone  
21 have provided consent in writing to have their property included in the  
22 zone, and the governing body of the city and county in which the zone  
23 lies approves of the designation by resolution.

24 NEW SECTION. **Sec. 5.** A new section is added to chapter 70.105D  
25 RCW to read as follows:

26 (1) A city, county, or port district may establish by resolution a  
27 brownfield renewal authority for the purpose of guiding and  
28 implementing the cleanup and reuse of properties within a designated  
29 redevelopment opportunity zone. Any combination of cities, counties,  
30 and port districts may establish a brownfield renewal authority through  
31 an interlocal agreement under chapter 39.34 RCW, and the brownfield  
32 renewal authority may exercise those powers as are authorized under  
33 chapter 39.34 RCW and under this chapter.

34 (2) A brownfield renewal authority must be governed by a board of  
35 directors selected as determined by the resolution or interlocal  
36 agreement establishing the authority.

1 (3) A brownfield renewal authority must be a separate legal entity  
2 and be deemed a municipal corporation. It has the power to: Sue and  
3 be sued; receive, account for, and disburse funds; employ personnel;  
4 and acquire or dispose of any interest in real or personal property  
5 within a redevelopment opportunity zone in the furtherance of the  
6 authority purposes. A brownfield renewal authority has the power to  
7 contract indebtedness and to issue and sell general obligation bonds  
8 pursuant to and in the manner provided for general county bonds in  
9 chapters 36.67 and 39.46 RCW and other applicable statutes, and to  
10 issue revenue bonds pursuant to and in the manner provided for revenue  
11 bonds in chapter 36.67 RCW and other applicable statutes.

12 (4) If the department determines that substantial progress has not  
13 been made on the plan approved under section 3 of this act by the  
14 brownfield renewal authority within six years of a city, county, or  
15 port district establishing a brownfield renewal authority, the  
16 department may require dissolution of the brownfield renewal authority.  
17 Upon dissolution of the brownfield renewal authority, except as  
18 provided in section 3 of this act, all assets and liabilities transfer  
19 to the city, town, or port district establishing the brownfield renewal  
20 authority.

21 **Sec. 6.** RCW 70.105D.030 and 2009 c 560 s 10 are each amended to  
22 read as follows:

23 (1) The department may exercise the following powers in addition to  
24 any other powers granted by law:

25 (a) Investigate, provide for investigating, or require potentially  
26 liable persons to investigate any releases or threatened releases of  
27 hazardous substances, including but not limited to inspecting,  
28 sampling, or testing to determine the nature or extent of any release  
29 or threatened release. If there is a reasonable basis to believe that  
30 a release or threatened release of a hazardous substance may exist, the  
31 department's authorized employees, agents, or contractors may enter  
32 upon any property and conduct investigations. The department shall  
33 give reasonable notice before entering property unless an emergency  
34 prevents such notice. The department may by subpoena require the  
35 attendance or testimony of witnesses and the production of documents or  
36 other information that the department deems necessary;

1 (b) Conduct, provide for conducting, or require potentially liable  
2 persons to conduct remedial actions (including investigations under (a)  
3 of this subsection) to remedy releases or threatened releases of  
4 hazardous substances. In carrying out such powers, the department's  
5 authorized employees, agents, or contractors may enter upon property.  
6 The department shall give reasonable notice before entering property  
7 unless an emergency prevents such notice. In conducting, providing  
8 for, or requiring remedial action, the department shall give preference  
9 to permanent solutions to the maximum extent practicable and shall  
10 provide for or require adequate monitoring to ensure the effectiveness  
11 of the remedial action;

12 (c) Indemnify contractors retained by the department for carrying  
13 out investigations and remedial actions, but not for any contractor's  
14 reckless or willful misconduct;

15 (d) Carry out all state programs authorized under the federal  
16 cleanup law and the federal resource, conservation, and recovery act,  
17 42 U.S.C. Sec. 6901 et seq., as amended;

18 (e) Classify substances as hazardous substances for purposes of RCW  
19 70.105D.020 and classify substances and products as hazardous  
20 substances for purposes of RCW 82.21.020(1);

21 (f) Issue orders or enter into consent decrees or agreed orders  
22 that include, or issue written opinions under (i) of this subsection  
23 that may be conditioned upon, environmental covenants where necessary  
24 to protect human health and the environment from a release or  
25 threatened release of a hazardous substance from a facility. Prior to  
26 establishing an environmental covenant under this subsection, the  
27 department shall consult with and seek comment from a city or county  
28 department with land use planning authority for real property subject  
29 to the environmental covenant;

30 (g) Enforce the application of permanent and effective  
31 institutional controls that are necessary for a remedial action to be  
32 protective of human health and the environment and the notification  
33 requirements established in RCW 70.105D.110, and impose penalties for  
34 violations of that section consistent with RCW 70.105D.050;

35 (h) Require holders to conduct remedial actions necessary to abate  
36 an imminent or substantial endangerment pursuant to RCW  
37 70.105D.020(17)(b)(ii)(C);

1 (i) Provide informal advice and assistance to persons regarding the  
2 administrative and technical requirements of this chapter. This may  
3 include site-specific advice to persons who are conducting or otherwise  
4 interested in independent remedial actions. Any such advice or  
5 assistance shall be advisory only, and shall not be binding on the  
6 department. As a part of providing this advice and assistance for  
7 independent remedial actions, the department may prepare written  
8 opinions regarding whether the independent remedial actions or  
9 proposals for those actions meet the substantive requirements of this  
10 chapter or whether the department believes further remedial action is  
11 necessary at the facility. Nothing in this chapter may be construed to  
12 preclude the department from issuing a written opinion on whether  
13 further remedial action is necessary at any portion of the real  
14 property located within a facility, even if further remedial action is  
15 still necessary elsewhere at the same facility. Such a written opinion  
16 on a portion of a facility must also provide an opinion on the status  
17 of the facility as a whole. The department may collect, from persons  
18 requesting advice and assistance, the costs incurred by the department  
19 in providing such advice and assistance; however, the department shall,  
20 where appropriate, waive collection of costs in order to provide an  
21 appropriate level of technical assistance in support of public  
22 participation. The state, the department, and officers and employees  
23 of the state are immune from all liability, and no cause of action of  
24 any nature may arise from any act or omission in providing, or failing  
25 to provide, informal advice and assistance. The department must track  
26 the number of requests for reviews of planned or completed independent  
27 remedial actions and establish performance measures to track how  
28 quickly the department is able to respond to those requests. By  
29 November 1, 2015, the department must submit to the governor and the  
30 appropriate legislative fiscal and policy committees a report on  
31 achieving the performance measures and provide recommendations for  
32 improving performance, including staffing needs; ((and))

33 (j) In fulfilling the objectives of this chapter, the department  
34 shall allocate staffing and financial assistance in a manner that  
35 considers both the reduction of human and environmental risks and the  
36 land reuse potential and planning for the facilities to be cleaned up.  
37 This does not preclude the department from allocating resources to a  
38 facility based solely on human or environmental risks;

1 (k) Establish model remedies for common categories of facilities,  
2 types of hazardous substances, types of media, or geographic areas to  
3 streamline and accelerate the selection of remedies for routine types  
4 of cleanups at facilities;

5 (i) When establishing a model remedy, the department shall:

6 (A) Identify the requirements for characterizing a facility to  
7 select a model remedy, the applicability of the model remedy for use at  
8 a facility, and monitoring requirements;

9 (B) Describe how the model remedy meets clean-up standards and the  
10 requirements for selecting a remedy established by the department under  
11 this chapter; and

12 (C) Provide public notice and an opportunity to comment on the  
13 proposed model remedy and the conditions under which it may be used at  
14 a facility;

15 (ii) When developing model remedies, the department shall solicit  
16 and consider proposals from qualified persons. The proposals must, in  
17 addition to describing the model remedy, provide the information  
18 required under (k)(i)(A) and (B) of this subsection;

19 (iii) If a facility meets the requirements for use of a model  
20 remedy, an analysis of the feasibility of alternative remedies is not  
21 required under this chapter. For department-conducted and department-  
22 supervised remedial actions, the department must provide public notice  
23 and consider public comments on the proposed use of a model remedy at  
24 a facility. The department may waive collection of its costs for  
25 providing a written opinion under (i) of this subsection on a cleanup  
26 that qualifies for and appropriately uses a model remedy; and

27 (1) Take any other actions necessary to carry out the provisions of  
28 this chapter, including the power to adopt rules under chapter 34.05  
29 RCW.

30 (2) The department shall immediately implement all provisions of  
31 this chapter to the maximum extent practicable, including investigative  
32 and remedial actions where appropriate. The department shall adopt,  
33 and thereafter enforce, rules under chapter 34.05 RCW to:

34 (a) Provide for public participation, including at least (i) public  
35 notice of the development of investigative plans or remedial plans for  
36 releases or threatened releases and (ii) concurrent public notice of  
37 all compliance orders, agreed orders, enforcement orders, or notices of  
38 violation;

1 (b) Establish a hazard ranking system for hazardous waste sites;

2 (c) Provide for requiring the reporting by an owner or operator of  
3 releases of hazardous substances to the environment that may be a  
4 threat to human health or the environment within ninety days of  
5 discovery, including such exemptions from reporting as the department  
6 deems appropriate, however this requirement shall not modify any  
7 existing requirements provided for under other laws;

8 (d) Establish reasonable deadlines not to exceed ninety days for  
9 initiating an investigation of a hazardous waste site after the  
10 department receives notice or otherwise receives information that the  
11 site may pose a threat to human health or the environment and other  
12 reasonable deadlines for remedying releases or threatened releases at  
13 the site;

14 (e) Publish and periodically update minimum clean-up standards for  
15 remedial actions at least as stringent as the clean-up standards under  
16 section 121 of the federal cleanup law, 42 U.S.C. Sec. 9621, and at  
17 least as stringent as all applicable state and federal laws, including  
18 health-based standards under state and federal law; and

19 (f) Apply industrial clean-up standards at industrial properties.  
20 Rules adopted under this subsection shall ensure that industrial  
21 properties cleaned up to industrial standards cannot be converted to  
22 nonindustrial uses without approval from the department. The  
23 department may require that a property cleaned up to industrial  
24 standards is cleaned up to a more stringent applicable standard as a  
25 condition of conversion to a nonindustrial use. Industrial clean-up  
26 standards may not be applied to industrial properties where hazardous  
27 substances remaining at the property after remedial action pose a  
28 threat to human health or the environment in adjacent nonindustrial  
29 areas.

30 (3) To achieve and protect the state's long-term ecological health,  
31 the department shall (~~prioritize sufficient funding~~) plan to clean up  
32 hazardous waste sites and prevent the creation of future hazards due to  
33 improper disposal of toxic wastes(~~(, and create financing tools to~~  
34 ~~clean up large scale hazardous waste sites requiring multiyear~~  
35 ~~commitments~~)) at a pace that matches the estimated cash resources in  
36 the state and local toxics control accounts and the environmental  
37 legacy stewardship account created in section 10 of this act.  
38 Estimated cash resources must consider the annual cash flow



1 requirements of major projects that receive appropriations expected to  
2 cross multiple biennia. To effectively monitor toxic accounts  
3 expenditures, the department shall develop a comprehensive ten-year  
4 financing report that identifies long-term remedial action project  
5 costs, tracks expenses, and projects future needs.

6 (4) By November 1, 2016, the department must submit to the governor  
7 and the appropriate legislative committees a report on the status of  
8 developing model remedies and their use under this chapter. The report  
9 must include: The number and types of model remedies identified by the  
10 department under subsection (1)(k) of this section; the number and  
11 types of model remedy proposals prepared by qualified private sector  
12 engineers, consultants, or contractors that were accepted or rejected  
13 under subsection (1)(k) of this section and the reasons for rejection;  
14 and the success of model remedies in accelerating the cleanup as  
15 measured by the number of jobs created by the cleanup, where this  
16 information is available to the department, acres of land restored, and  
17 the number and types of hazardous waste sites successfully remediated  
18 using model remedies.

19 (5) Before ((December)) September 20th of each even-numbered year,  
20 the department shall:

21 (a) Develop a comprehensive ten-year financing report in  
22 coordination with all local governments with clean-up responsibilities  
23 that identifies the projected biennial hazardous waste site remedial  
24 action needs that are eligible for funding from the state and local  
25 toxics control account and the environmental legacy stewardship  
26 account;

27 (b) Work with local governments to develop working capital reserves  
28 to be incorporated in the ten-year financing report;

29 (c) Identify the projected remedial action needs for orphaned,  
30 abandoned, and other clean-up sites that are eligible for funding from  
31 the state toxics control account;

32 (d) Project the remedial action need, cost, revenue, and any  
33 recommended working capital reserve estimate to the next biennium's  
34 long-term remedial action needs from both the local ((~~toxics control~~  
35 ~~account~~)) and ((~~the~~)) state toxics control account and the  
36 environmental legacy stewardship account, and submit this information  
37 to the appropriate standing fiscal and environmental committees of the

1 senate and house of representatives. This submittal must also include  
2 a ranked list of such remedial action projects for both accounts(~~(i~~ and  
3 ~~(e)~~)). The submittal must also identify separate budget estimates  
4 for large, multibiennia clean-up projects that exceed ten million  
5 dollars. The department shall prepare its ten-year capital budget plan  
6 that is submitted to the office of financial management to reflect the  
7 separate budget estimates for these large clean-up projects and include  
8 information on the anticipated private and public funding obligations  
9 for completion of the relevant projects.

10 (6) By December 1st of each odd-numbered year, the department must  
11 provide the legislature and the public ((each year with an accounting))  
12 a report of the department's activities supported by appropriations  
13 from the state and local toxics control accounts(~~(, including a list of~~  
14 known hazardous waste sites and their hazard rankings, actions taken  
15 and planned at each site, how the department is meeting its waste  
16 management priorities under RCW 70.105.150, and all funds expended  
17 under this chapter)) and the environmental legacy stewardship account.  
18 The report must be prepared and displayed in a manner that allows the  
19 legislature and the public to easily determine the statewide and local  
20 progress made in cleaning up hazardous waste sites under this chapter.  
21 The report must include, at a minimum:

22 (a) The name, location, hazardous waste ranking, and a short  
23 description of each site on the hazardous sites list, and the date the  
24 site was placed on the hazardous waste sites list; and

25 (b) For sites where there are state contracts, grants, loans, or  
26 direct investments by the state:

27 (i) The amount of money from the state and local toxics control  
28 accounts and the environmental legacy stewardship account used to  
29 conduct remedial actions at the site and the amount of that money  
30 recovered from potentially liable persons;

31 (ii) The actual or estimated start and end dates and the actual or  
32 estimated expenditures of funds authorized under this chapter for the  
33 following project phases:

34 (A) Emergency or interim actions, if needed;

35 (B) Remedial investigation;

36 (C) Feasibility study and selection of a remedy;

37 (D) Engineering design and construction of the selected remedy;

1        (E) Operation and maintenance or monitoring of the constructed  
2 remedy; and

3        (F) The final completion date.

4        ~~((+5))~~ (7) The department shall establish a program to identify  
5 potential hazardous waste sites and to encourage persons to provide  
6 information about hazardous waste sites.

7        ~~((+6))~~ (8) For all facilities where an environmental covenant has  
8 been required under subsection (1)(f) of this section, including all  
9 facilities where the department has required an environmental covenant  
10 under an order, agreed order, or consent decree, or as a condition of  
11 a written opinion issued under the authority of subsection (1)(i) of  
12 this section, the department shall periodically review the  
13 environmental covenant for effectiveness. Except as otherwise provided  
14 in (c) of this subsection, the department shall conduct a review at  
15 least once every five years after an environmental covenant is  
16 recorded.

17        (a) The review shall consist of, at a minimum:

18        (i) A review of the title of the real property subject to the  
19 environmental covenant to determine whether the environmental covenant  
20 was properly recorded and, if applicable, amended or terminated;

21        (ii) A physical inspection of the real property subject to the  
22 environmental covenant to determine compliance with the environmental  
23 covenant, including whether any development or redevelopment of the  
24 real property has violated the terms of the environmental covenant; and

25        (iii) A review of the effectiveness of the environmental covenant  
26 in limiting or prohibiting activities that may interfere with the  
27 integrity of the remedial action or that may result in exposure to or  
28 migration of hazardous substances. This shall include a review of  
29 available monitoring data.

30        (b) If an environmental covenant has been amended or terminated  
31 without proper authority, or if the terms of an environmental covenant  
32 have been violated, or if the environmental covenant is no longer  
33 effective in limiting or prohibiting activities that may interfere with  
34 the integrity of the remedial action or that may result in exposure to  
35 or migration of hazardous substances, then the department shall take  
36 any and all appropriate actions necessary to ensure compliance with the  
37 environmental covenant and the policies and requirements of this  
38 chapter.

1 (c) For facilities where an environmental covenant required by the  
2 department under subsection (1)(f) of this section was required before  
3 July 1, 2007, the department shall:

4 (i) Enter all required information about the environmental covenant  
5 into the registry established under RCW 64.70.120 by June 30, 2008;

6 (ii) For those facilities where more than five years has elapsed  
7 since the environmental covenant was required and the department has  
8 yet to conduct a review, conduct an initial review according to the  
9 following schedule:

10 (A) By December 30, 2008, fifty facilities;

11 (B) By June 30, 2009, fifty additional facilities; and

12 (C) By June 30, 2010, the remainder of the facilities;

13 (iii) Once this initial review has been completed, conduct  
14 subsequent reviews at least once every five years.

15 **Sec. 7.** RCW 70.105D.040 and 1997 c 406 s 4 are each amended to  
16 read as follows:

17 (1) Except as provided in subsection (3) of this section, the  
18 following persons are liable with respect to a facility:

19 (a) The owner or operator of the facility;

20 (b) Any person who owned or operated the facility at the time of  
21 disposal or release of the hazardous substances;

22 (c) Any person who owned or possessed a hazardous substance and who  
23 by contract, agreement, or otherwise arranged for disposal or treatment  
24 of the hazardous substance at the facility, or arranged with a  
25 transporter for transport for disposal or treatment of the hazardous  
26 substances at the facility, or otherwise generated hazardous wastes  
27 disposed of or treated at the facility;

28 (d) Any person (i) who accepts or accepted any hazardous substance  
29 for transport to a disposal, treatment, or other facility selected by  
30 such person from which there is a release or a threatened release for  
31 which remedial action is required, unless such facility, at the time of  
32 disposal or treatment, could legally receive such substance; or (ii)  
33 who accepts a hazardous substance for transport to such a facility and  
34 has reasonable grounds to believe that such facility is not operated in  
35 accordance with chapter 70.105 RCW; and

36 (e) Any person who both sells a hazardous substance and is

1 responsible for written instructions for its use if (i) the substance  
2 is used according to the instructions and (ii) the use constitutes a  
3 release for which remedial action is required at the facility.

4 (2) Each person who is liable under this section is strictly  
5 liable, jointly and severally, for all remedial action costs and for  
6 all natural resource damages resulting from the releases or threatened  
7 releases of hazardous substances. The attorney general, at the request  
8 of the department, is empowered to recover all costs and damages from  
9 persons liable therefor.

10 (3) The following persons are not liable under this section:

11 (a) Any person who can establish that the release or threatened  
12 release of a hazardous substance for which the person would be  
13 otherwise responsible was caused solely by:

14 (i) An act of God;

15 (ii) An act of war; or

16 (iii) An act or omission of a third party (including but not  
17 limited to a trespasser) other than (A) an employee or agent of the  
18 person asserting the defense, or (B) any person whose act or omission  
19 occurs in connection with a contractual relationship existing, directly  
20 or indirectly, with the person asserting this defense to liability.  
21 This defense only applies where the person asserting the defense has  
22 exercised the utmost care with respect to the hazardous substance, the  
23 foreseeable acts or omissions of the third party, and the foreseeable  
24 consequences of those acts or omissions;

25 (b) Any person who is an owner, past owner, or purchaser of a  
26 facility and who can establish by a preponderance of the evidence that  
27 at the time the facility was acquired by the person, the person had no  
28 knowledge or reason to know that any hazardous substance, the release  
29 or threatened release of which has resulted in or contributed to the  
30 need for the remedial action, was released or disposed of on, in, or at  
31 the facility. This subsection (3)(b) is limited as follows:

32 (i) To establish that a person had no reason to know, the person  
33 must have undertaken, at the time of acquisition, all appropriate  
34 inquiry into the previous ownership and uses of the property,  
35 consistent with good commercial or customary practice in an effort to  
36 minimize liability. Any court interpreting this subsection (3)(b)  
37 shall take into account any specialized knowledge or experience on the  
38 part of the person, the relationship of the purchase price to the value

1 of the property if uncontaminated, commonly known or reasonably  
2 ascertainable information about the property, the obviousness of the  
3 presence or likely presence of contamination at the property, and the  
4 ability to detect such contamination by appropriate inspection;

5 (ii) The defense contained in this subsection (3)(b) is not  
6 available to any person who had actual knowledge of the release or  
7 threatened release of a hazardous substance when the person owned the  
8 real property and who subsequently transferred ownership of the  
9 property without first disclosing such knowledge to the transferee;

10 (iii) The defense contained in this subsection (3)(b) is not  
11 available to any person who, by any act or omission, caused or  
12 contributed to the release or threatened release of a hazardous  
13 substance at the facility;

14 (c) Any natural person who uses a hazardous substance lawfully and  
15 without negligence for any personal or domestic purpose in or near a  
16 dwelling or accessory structure when that person is: (i) A resident of  
17 the dwelling; (ii) a person who, without compensation, assists the  
18 resident in the use of the substance; or (iii) a person who is employed  
19 by the resident, but who is not an independent contractor;

20 (d) Any person who, for the purpose of growing food crops, applies  
21 pesticides or fertilizers without negligence and in accordance with all  
22 applicable laws and regulations.

23 (4) There may be no settlement by the state with any person  
24 potentially liable under this chapter except in accordance with this  
25 section.

26 (a) The attorney general may agree to a settlement with any  
27 potentially liable person only if the department finds, after public  
28 notice and any required hearing, that the proposed settlement would  
29 lead to a more expeditious cleanup of hazardous substances in  
30 compliance with clean-up standards under RCW 70.105D.030(2)(e) and with  
31 any remedial orders issued by the department. Whenever practicable and  
32 in the public interest, the attorney general may expedite such a  
33 settlement with persons whose contribution is insignificant in amount  
34 and toxicity. A hearing shall be required only if at least ten persons  
35 request one or if the department determines a hearing is necessary.

36 (b) A settlement agreement under this section shall be entered as  
37 a consent decree issued by a court of competent jurisdiction.

1 (c) A settlement agreement may contain a covenant not to sue only  
2 of a scope commensurate with the settlement agreement in favor of any  
3 person with whom the attorney general has settled under this section.  
4 Any covenant not to sue shall contain a reopener clause which requires  
5 the court to amend the covenant not to sue if factors not known at the  
6 time of entry of the settlement agreement are discovered and present a  
7 previously unknown threat to human health or the environment.

8 (d) A party who has resolved its liability to the state under this  
9 section shall not be liable for claims for contribution regarding  
10 matters addressed in the settlement. The settlement does not discharge  
11 any of the other liable parties but it reduces the total potential  
12 liability of the others to the state by the amount of the settlement.

13 (e) If the state has entered into a consent decree with an owner or  
14 operator under this section, the state shall not enforce this chapter  
15 against any owner or operator who is a successor in interest to the  
16 settling party unless under the terms of the consent decree the state  
17 could enforce against the settling party, if:

18 (i) The successor owner or operator is liable with respect to the  
19 facility solely due to that person's ownership interest or operator  
20 status acquired as a successor in interest to the owner or operator  
21 with whom the state has entered into a consent decree; and

22 (ii) The stay of enforcement under this subsection does not apply  
23 if the consent decree was based on circumstances unique to the settling  
24 party that do not exist with regard to the successor in interest, such  
25 as financial hardship. For consent decrees entered into before July  
26 27, 1997, at the request of a settling party or a potential successor  
27 owner or operator, the attorney general shall issue a written opinion  
28 on whether a consent decree contains such unique circumstances. For  
29 all other consent decrees, such unique circumstances shall be specified  
30 in the consent decree.

31 (f) Any person who is not subject to enforcement by the state under  
32 (e) of this subsection is not liable for claims for contribution  
33 regarding matters addressed in the settlement.

34 (5)(a) In addition to the settlement authority provided under  
35 subsection (4) of this section, the attorney general may agree to a  
36 settlement with a ~~((person not currently liable for remedial action at  
37 a facility who proposes to purchase, redevelop, or reuse the facility))~~  
38 prospective purchaser, provided that:

1 (i) The settlement will yield substantial new resources to  
2 facilitate cleanup;

3 (ii) The settlement will expedite remedial action at the facility  
4 consistent with the rules adopted under this chapter; and

5 (iii) Based on available information, the department determines  
6 that the redevelopment or reuse of the facility is not likely to  
7 contribute to the existing release or threatened release, interfere  
8 with remedial actions that may be needed at the ~~((site))~~ facility, or  
9 increase health risks to persons at or in the vicinity of the ~~((site))~~  
10 facility.

11 (b) The legislature recognizes that the state does not have  
12 adequate resources to participate in all property transactions  
13 involving contaminated property. The primary purpose of this  
14 subsection (5) is to promote the cleanup and reuse of ~~((vacant-or~~  
15 ~~abandoned-commercial-or-industrial-contaminated))~~ brownfield property.  
16 The attorney general and the department may give priority to  
17 settlements that will provide a substantial public benefit~~((~~  
18 ~~including,-but-not-limited-to-the-reuse-of-a-vacant-or-abandoned~~  
19 ~~manufacturing-or-industrial-facility,-or-the-development-of-a-facility~~  
20 ~~by-a-governmental-entity-to-address-an-important-public-purpose))~~ in  
21 addition to cleanup.

22 (c) A settlement entered under this subsection is governed by  
23 subsection (4) of this section.

24 (6) As an alternative to a settlement under subsection (5) of this  
25 section, the department may enter into an agreed order with a  
26 prospective purchaser of a property within a designated redevelopment  
27 opportunity zone. The agreed order is subject to the limitations in  
28 RCW 70.105D.020(1), but stays enforcement by the department under this  
29 chapter regarding remedial actions required by the agreed order as long  
30 as the prospective purchaser complies with the requirements of the  
31 agreed order.

32 (7) Nothing in this chapter affects or modifies in any way any  
33 person's right to seek or obtain relief under other statutes or under  
34 common law, including but not limited to damages for injury or loss  
35 resulting from a release or threatened release of a hazardous  
36 substance. No settlement by the department or remedial action ordered  
37 by a court or the department affects any person's right to obtain a  
38 remedy under common law or other statutes.



1       **Sec. 8.** RCW 70.105D.050 and 2005 c 211 s 2 are each amended to  
2 read as follows:

3       (1) With respect to any release, or threatened release, for which  
4 the department does not conduct or contract for conducting remedial  
5 action and for which the department believes remedial action is in the  
6 public interest, the director shall issue orders or agreed orders  
7 requiring potentially liable persons to provide the remedial action.  
8 Any liable person, or prospective purchaser who has entered into an  
9 agreed order under RCW 70.105D.040(6), who refuses, without sufficient  
10 cause, to comply with an order or agreed order of the director is  
11 liable in an action brought by the attorney general for:

12       (a) Up to three times the amount of any costs incurred by the state  
13 as a result of the party's refusal to comply; and

14       (b) A civil penalty of up to twenty-five thousand dollars for each  
15 day the party refuses to comply.

16 The treble damages and civil penalty under this subsection apply to all  
17 recovery actions filed on or after March 1, 1989.

18       (2) Any person who incurs costs complying with an order issued  
19 under subsection (1) of this section may petition the department for  
20 reimbursement of those costs. If the department refuses to grant  
21 reimbursement, the person may within thirty days thereafter file suit  
22 and recover costs by proving that he or she was not a liable person  
23 under RCW 70.105D.040 and that the costs incurred were reasonable.

24       (3) The attorney general shall seek, by filing an action if  
25 necessary, to recover the amounts spent by the department for  
26 investigative and remedial actions and orders, and agreed orders,  
27 including amounts spent prior to March 1, 1989.

28       (4) The attorney general may bring an action to secure such relief  
29 as is necessary to protect human health and the environment under this  
30 chapter.

31       (5)(a) Any person may commence a civil action to compel the  
32 department to perform any nondiscretionary duty under this chapter. At  
33 least thirty days before commencing the action, the person must give  
34 notice of intent to sue, unless a substantial endangerment exists. The  
35 court may award attorneys' fees and other costs to the prevailing party  
36 in the action.

37       (b) Civil actions under this section and RCW 70.105D.060 may be

1 brought in the superior court of Thurston county or of the county in  
2 which the release or threatened release exists.

3 (6) Any person who fails to provide notification of releases  
4 consistent with RCW 70.105D.110 or who submits false information is  
5 liable in an action brought by the attorney general for a civil penalty  
6 of up to five thousand dollars per day for each day the party refuses  
7 to comply.

8 (7) Any person who owns real property or lender holding a mortgage  
9 on real property that is subject to a lien filed under RCW 70.105D.055  
10 may petition the department to have the lien removed or the amount of  
11 the lien reduced. If, after consideration of the petition and the  
12 information supporting the petition, the department decides to deny the  
13 request, the person may, within ninety days after receipt of the  
14 department's denial, file suit for removal or reduction of the lien.  
15 The person is entitled to removal of a lien filed under RCW  
16 70.105D.055(2)(a) if they can prove by a preponderance of the evidence  
17 that the person is not a liable party under RCW 70.105D.040. The  
18 person is entitled to a reduction of the amount of the lien if they can  
19 prove by a preponderance of the evidence:

20 (a) For liens filed under RCW 70.105D.055(2)(a), the amount of the  
21 lien exceeds the remedial action costs the department incurred related  
22 to cleanup of the real property; and

23 (b) For liens filed under RCW 70.105D.055(2)(c), the amount of the  
24 lien exceeds the remedial action costs the department incurred related  
25 to cleanup of the real property or exceeds the increase of the fair  
26 market value of the real property solely attributable to the remedial  
27 action conducted by the department.

28 (8) The expenditure of moneys under the state and local toxics  
29 control accounts created in RCW 70.105D.070 and the environmental  
30 legacy stewardship account created in section 10 of this act does not  
31 alter the liability of any person under this chapter, or the authority  
32 of the department under this chapter, including the authority to  
33 recover those moneys.

34 **Sec. 9.** RCW 70.105D.070 and 2012 2nd sp.s. c 7 s 920 and 2012 2nd  
35 sp.s. c 2 s 6005 are each reenacted and amended to read as follows:

36 (1) The state toxics control account and the local toxics control  
37 account are hereby created in the state treasury.

1           (2) (~~The following moneys shall be deposited into the state toxics~~  
2 ~~control account:—(a) Those revenues which are raised by the tax~~  
3 ~~imposed under RCW 82.21.030 and which are attributable to that portion~~  
4 ~~of the rate equal to thirty three one hundredths of one percent; (b)~~  
5 ~~the costs of remedial actions recovered under this chapter or chapter~~  
6 ~~70.105A RCW; (c) penalties collected or recovered under this chapter;~~  
7 ~~and (d) any other money appropriated or transferred to the account by~~  
8 ~~the legislature. Moneys in the account may be used only to carry out~~  
9 ~~the purposes of this chapter, including but not limited to the~~  
10 ~~following activities:~~

11           ~~(i) The state's responsibility for hazardous waste planning,~~  
12 ~~management, regulation, enforcement, technical assistance, and public~~  
13 ~~education required under chapter 70.105 RCW;~~

14           ~~(ii) The state's responsibility for solid waste planning,~~  
15 ~~management, regulation, enforcement, technical assistance, and public~~  
16 ~~education required under chapter 70.95 RCW;~~

17           ~~(iii) The hazardous waste cleanup program required under this~~  
18 ~~chapter;~~

19           ~~(iv) State matching funds required under the federal cleanup law;~~

20           ~~(v) Financial assistance for local programs in accordance with~~  
21 ~~chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;~~

22           ~~(vi) State government programs for the safe reduction, recycling,~~  
23 ~~or disposal of hazardous wastes from households, small businesses, and~~  
24 ~~agriculture;~~

25           ~~(vii) Hazardous materials emergency response training;~~

26           ~~(viii) Water and environmental health protection and monitoring~~  
27 ~~programs;~~

28           ~~(ix) Programs authorized under chapter 70.146 RCW;~~

29           ~~(x) A public participation program, including regional citizen~~  
30 ~~advisory committees;~~

31           ~~(xi) Public funding to assist potentially liable persons to pay for~~  
32 ~~the costs of remedial action in compliance with cleanup standards under~~  
33 ~~RCW 70.105D.030(2)(e) but only when the amount and terms of such~~  
34 ~~funding are established under a settlement agreement under RCW~~  
35 ~~70.105D.040(4) and when the director has found that the funding will~~  
36 ~~achieve both (A) a substantially more expeditious or enhanced cleanup~~  
37 ~~than would otherwise occur, and (B) the prevention or mitigation of~~  
38 ~~unfair economic hardship;~~

1       ~~(xii) Development and demonstration of alternative management~~  
2 ~~technologies designed to carry out the hazardous waste management~~  
3 ~~priorities of RCW 70.105.150;~~

4       ~~(xiii) During the 2009-2011 and 2011-2013 fiscal biennia, shoreline~~  
5 ~~update technical assistance;~~

6       ~~(xiv) During the 2009-2011 fiscal biennium, multijurisdictional~~  
7 ~~permitting teams;~~

8       ~~(xv) During the 2011-2013 fiscal biennium, actions for reducing~~  
9 ~~public exposure to toxic air pollution, and actions taken through the~~  
10 ~~family forest fish passage program to correct barriers to fish passage~~  
11 ~~on privately owned small forest lands; and~~

12       ~~(xvi) During the 2011-2013 fiscal biennium, the department of~~  
13 ~~ecology's water quality, shorelands and environmental assessment,~~  
14 ~~hazardous waste, waste-to-resources, nuclear waste, and air quality~~  
15 ~~programs.~~

16       ~~(3) The following moneys shall be deposited into the local toxics~~  
17 ~~control account: Those revenues which are raised by the tax imposed~~  
18 ~~under RCW 82.21.030 and which are attributable to that portion of the~~  
19 ~~rate equal to thirty seven one hundredths of one percent.~~

20       ~~(a) Moneys deposited in the local toxics control account shall be~~  
21 ~~used by the department for grants or loans to local governments for the~~  
22 ~~following purposes in descending order of priority:~~

23       ~~(i) Remedial actions;~~

24       ~~(ii) Hazardous waste plans and programs under chapter 70.105 RCW;~~

25       ~~(iii) Solid waste plans and programs under chapters 70.95, 70.95C,~~  
26 ~~70.95I, and 70.105 RCW;~~

27       ~~(iv) Funds for a program to assist in the assessment and cleanup of~~  
28 ~~sites of methamphetamine production, but not to be used for the initial~~  
29 ~~containment of such sites, consistent with the responsibilities and~~  
30 ~~intent of RCW 69.50.511; and~~

31       ~~(v) Cleanup and disposal of hazardous substances from abandoned or~~  
32 ~~derelict vessels, defined for the purposes of this section as vessels~~  
33 ~~that have little or no value and either have no identified owner or~~  
34 ~~have an identified owner lacking financial resources to clean up and~~  
35 ~~dispose of the vessel, that pose a threat to human health or the~~  
36 ~~environment.~~

37       ~~(b) Funds for plans and programs shall be allocated consistent with~~  
38 ~~the priorities and matching requirements established in chapters~~

1 ~~70.105, 70.95C, 70.95I, and 70.95 RCW, except that any applicant that~~  
2 ~~is a Puget Sound partner, as defined in RCW 90.71.010, along with any~~  
3 ~~project that is referenced in the action agenda developed by the Puget~~  
4 ~~Sound partnership under RCW 90.71.310, shall, except as conditioned by~~  
5 ~~RCW 70.105D.120, receive priority for any available funding for any~~  
6 ~~grant or funding programs or sources that use a competitive bidding~~  
7 ~~process. During the 2007-2009 fiscal biennium, moneys in the account~~  
8 ~~may also be used for grants to local governments to retrofit public~~  
9 ~~sector diesel equipment and for storm water planning and implementation~~  
10 ~~activities.~~

11 ~~(c) To expedite cleanups throughout the state, the department shall~~  
12 ~~partner with local communities and liable parties for cleanups. The~~  
13 ~~department is authorized to use the following additional strategies in~~  
14 ~~order to ensure a healthful environment for future generations:~~

15 ~~(i) The director may alter grant matching requirements to create~~  
16 ~~incentives for local governments to expedite cleanups when one of the~~  
17 ~~following conditions exists:~~

18 ~~(A) Funding would prevent or mitigate unfair economic hardship~~  
19 ~~imposed by the clean-up liability;~~

20 ~~(B) Funding would create new substantial economic development,~~  
21 ~~public recreational, or habitat restoration opportunities that would~~  
22 ~~not otherwise occur; or~~

23 ~~(C) Funding would create an opportunity for acquisition and~~  
24 ~~redevelopment of vacant, orphaned, or abandoned property under RCW~~  
25 ~~70.105D.040(5) that would not otherwise occur;~~

26 ~~(ii) The use of outside contracts to conduct necessary studies;~~

27 ~~(iii) The purchase of remedial action cost cap insurance, when~~  
28 ~~necessary to expedite multiparty clean-up efforts.~~

29 ~~(d) To facilitate and expedite cleanups using funds from the local~~  
30 ~~toxics control account, during the 2009-2011 fiscal biennium the~~  
31 ~~director may establish grant-funded accounts to hold and disperse local~~  
32 ~~toxics control account funds and funds from local governments to be~~  
33 ~~used for remedial actions.~~

34 ~~(4) Except for unanticipated receipts under RCW 43.79.260 through~~  
35 ~~43.79.282, moneys in the state and local toxics control accounts may be~~  
36 ~~spent only after appropriation by statute.~~

37 ~~(5) Except during the 2011-2013 fiscal biennium, one percent of the~~  
38 ~~moneys deposited into the state and local toxics control accounts shall~~

1 be allocated only for public participation grants to persons who may be  
2 adversely affected by a release or threatened release of a hazardous  
3 substance and to not-for-profit public-interest organizations. The  
4 primary purpose of these grants is to facilitate the participation by  
5 persons and organizations in the investigation and remedying of  
6 releases or threatened releases of hazardous substances and to  
7 implement the state's solid and hazardous waste management priorities.  
8 No grant may exceed sixty thousand dollars. Grants may be renewed  
9 annually. Moneys appropriated for public participation from either  
10 account which are not expended at the close of any biennium shall  
11 revert to the state toxics control account.

12 ~~(6) No moneys deposited into either the state or local toxics~~  
13 ~~control account may be used for solid waste incinerator feasibility~~  
14 ~~studies, construction, maintenance, or operation, or, after January 1,~~  
15 ~~2010, for projects designed to address the restoration of Puget Sound,~~  
16 ~~funded in a competitive grant process, that are in conflict with the~~  
17 ~~action agenda developed by the Puget Sound partnership under RCW~~  
18 ~~90.71.310.~~

19 ~~(7) The department shall adopt rules for grant or loan issuance and~~  
20 ~~performance.~~

21 ~~(8) During the 2011-2013 fiscal biennium, the legislature may~~  
22 ~~transfer from the local toxics control account to the state toxics~~  
23 ~~control account such amounts as reflect excess fund balance in the~~  
24 ~~account.~~

25 ~~(9) During the 2011-2013 fiscal biennium, the local toxics control~~  
26 ~~account may also be used for local government shoreline update grants~~  
27 ~~and actions for reducing public exposure to toxic air pollution;~~  
28 ~~funding to local governments for flood levee improvements; and grants~~  
29 ~~to local governments for brownfield redevelopment.))~~ (a) Moneys  
30 collected under RCW 82.21.030 must be deposited as follows: Fifty-six  
31 percent to the state toxics control account under subsection (3) of  
32 this section and forty-four percent to the local toxics control account  
33 under subsection (4) of this section. When the cumulative amount of  
34 deposits made to the state and local toxics control accounts under this  
35 section reaches the limit during a fiscal year as established in (b) of  
36 this subsection, the remainder of the moneys collected under RCW  
37 82.21.030 during that fiscal year must be deposited into the

1 environmental legacy stewardship account created in section 10 of this  
2 act.

3 (b) The limit on distributions of moneys collected under RCW  
4 82.21.030 to the state and local toxics control accounts for the fiscal  
5 year beginning July 1, 2013, is one hundred forty million dollars.

6 (c) In addition to the funds required under (a) of this subsection,  
7 the following moneys must be deposited into the state toxics control  
8 account: (i) The costs of remedial actions recovered under this  
9 chapter or chapter 70.105A RCW; (ii) penalties collected or recovered  
10 under this chapter; and (iii) any other money appropriated or  
11 transferred to the account by the legislature.

12 (3) Moneys in the state toxics control account must be used only to  
13 carry out the purposes of this chapter, including but not limited to  
14 the following activities:

15 (a) The state's responsibility for hazardous waste planning,  
16 management, regulation, enforcement, technical assistance, and public  
17 education required under chapter 70.105 RCW;

18 (b) The state's responsibility for solid waste planning,  
19 management, regulation, enforcement, technical assistance, and public  
20 education required under chapter 70.95 RCW;

21 (c) The hazardous waste clean-up program required under this  
22 chapter;

23 (d) State matching funds required under federal cleanup law;

24 (e) Financial assistance for local programs in accordance with  
25 chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

26 (f) State government programs for the safe reduction, recycling, or  
27 disposal of paint and hazardous wastes from households, small  
28 businesses, and agriculture;

29 (g) Oil and hazardous materials spill prevention, preparedness,  
30 training, and response activities;

31 (h) Water and environmental health protection and monitoring  
32 programs;

33 (i) Programs authorized under chapter 70.146 RCW;

34 (j) A public participation program;

35 (k) Public funding to assist potentially liable persons to pay for  
36 the costs of remedial action in compliance with clean-up standards  
37 under RCW 70.105D.030(2)(e) but only when the amount and terms of such  
38 funding are established under a settlement agreement under RCW

1 70.105D.040(4) and when the director has found that the funding will  
2 achieve both: (i) A substantially more expeditious or enhanced cleanup  
3 than would otherwise occur; and (ii) the prevention or mitigation of  
4 unfair economic hardship;

5 (l) Development and demonstration of alternative management  
6 technologies designed to carry out the hazardous waste management  
7 priorities of RCW 70.105.150;

8 (m) State agriculture and health programs for the safe use,  
9 reduction, recycling, or disposal of pesticides;

10 (n) Storm water pollution control projects and activities that  
11 protect or preserve existing remedial actions or prevent hazardous  
12 clean-up sites;

13 (o) Funding requirements to maintain receipt of federal funds under  
14 the federal solid waste disposal act (42 U.S.C. Sec. 6901 et seq.);

15 (p) Air quality programs and actions for reducing public exposure  
16 to toxic air pollution;

17 (q) Public funding to assist prospective purchasers to pay for the  
18 costs of remedial action in compliance with clean-up standards under  
19 RCW 70.105D.030(2)(e) if:

20 (i) The facility is located within a redevelopment opportunity zone  
21 designated under section 4 of this act;

22 (ii) The amount and terms of the funding are established under a  
23 settlement agreement under RCW 70.105D.040(5); and

24 (iii) The director has found the funding meets any additional  
25 criteria established in rule by the department, will achieve a  
26 substantially more expeditious or enhanced cleanup than would otherwise  
27 occur, and will provide a public benefit in addition to cleanup  
28 commensurate with the scope of the public funding;

29 (r) Petroleum-based plastic or expanded polystyrene foam debris  
30 cleanup activities in fresh or marine waters; and

31 (s) Appropriations to the local toxics control account or the  
32 environmental legacy stewardship account created in section 10 of this  
33 act, if the legislature determines that priorities for spending exceed  
34 available funds in those accounts.

35 (4)(a) The department shall use moneys deposited in the local  
36 toxics control account for grants or loans to local governments for the  
37 following purposes in descending order of priority:



1 (i) Extended grant agreements entered into under (c)(i) of this  
2 subsection;

3 (ii) Remedial actions, including planning for adaptive reuse of  
4 properties as provided for under (c)(iv) of this subsection. The  
5 department must prioritize funding of remedial actions at:

6 (A) Facilities on the department's hazardous sites list with a high  
7 hazard ranking for which there is an approved remedial action work plan  
8 or an equivalent document under federal cleanup law;

9 (B) Brownfield properties within a redevelopment opportunity zone  
10 if the local government is a prospective purchaser of the property and  
11 there is a department-approved remedial action work plan or equivalent  
12 document under the federal cleanup law;

13 (iii) Storm water pollution source projects that: (A) Work in  
14 conjunction with a remedial action; (B) protect completed remedial  
15 actions against recontamination; or (C) prevent hazardous clean-up  
16 sites;

17 (iv) Hazardous waste plans and programs under chapter 70.105 RCW;

18 (v) Solid waste plans and programs under chapters 70.95, 70.95C,  
19 70.95I, and 70.105 RCW;

20 (vi) Petroleum-based plastic or expanded polystyrene foam debris  
21 cleanup activities in fresh or marine waters; and

22 (vii) Appropriations to the state toxics control account or the  
23 environmental legacy stewardship account created in section 10 of this  
24 act, if the legislature determines that priorities for spending exceed  
25 available funds in those accounts.

26 (b) Funds for plans and programs must be allocated consistent with  
27 the priorities and matching requirements established in chapters  
28 70.105, 70.95C, 70.95I, and 70.95 RCW.

29 (c) To expedite cleanups throughout the state, the department may  
30 use the following strategies when providing grants to local governments  
31 under this subsection:

32 (i) Enter into an extended grant agreement with a local government  
33 conducting remedial actions at a facility where those actions extend  
34 over multiple biennia and the total eligible cost of those actions  
35 exceeds twenty million dollars. The agreement is subject to the  
36 following limitations:

37 (A) The initial duration of such an agreement may not exceed ten

1 years. The department may extend the duration of such an agreement  
2 upon finding substantial progress has been made on remedial actions at  
3 the facility;

4 (B) Extended grant agreements may not exceed fifty percent of the  
5 total eligible remedial action costs at the facility; and

6 (C) The department may not allocate future funding to an extended  
7 grant agreement unless the local government has demonstrated to the  
8 department that funds awarded under the agreement during the previous  
9 biennium have been substantially expended or contracts have been  
10 entered into to substantially expend the funds;

11 (ii) Enter into a grant agreement with a local government  
12 conducting a remedial action that provides for periodic reimbursement  
13 of remedial action costs as they are incurred as established in the  
14 agreement;

15 (iii) Enter into a grant agreement with a local government prior to  
16 it acquiring a property or obtaining necessary access to conduct  
17 remedial actions, provided the agreement is conditioned upon the local  
18 government acquiring the property or obtaining the access in accordance  
19 with a schedule specified in the agreement;

20 (iv) Provide integrated planning grants to local governments to  
21 fund studies necessary to facilitate remedial actions at brownfield  
22 properties and adaptive reuse of properties following remediation.  
23 Eligible activities include, but are not limited to: Environmental  
24 site assessments; remedial investigations; health assessments;  
25 feasibility studies; site planning; community involvement; land use and  
26 regulatory analyses; building and infrastructure assessments; economic  
27 and fiscal analyses; and any environmental analyses under chapter  
28 43.21C RCW;

29 (v) Provide grants to local governments for remedial actions  
30 related to areawide groundwater contamination. To receive the funding,  
31 the local government does not need to be a potentially liable person or  
32 be required to seek reimbursement of grant funds from a potentially  
33 liable person;

34 (vi) The director may alter grant matching requirements to create  
35 incentives for local governments to expedite cleanups when one of the  
36 following conditions exists:

37 (A) Funding would prevent or mitigate unfair economic hardship  
38 imposed by the clean-up liability;

1 (B) Funding would create new substantial economic development,  
2 public recreational opportunities, or habitat restoration opportunities  
3 that would not otherwise occur; or

4 (C) Funding would create an opportunity for acquisition and  
5 redevelopment of brownfield property under RCW 70.105D.040(5) that  
6 would not otherwise occur;

7 (vii) When pending grant applications under (c)(iv) and (v) of this  
8 subsection (4) exceed the amount of funds available, designated  
9 redevelopment opportunity zones must receive priority for distribution  
10 of available funds.

11 (d) To expedite multiparty clean-up efforts, the department may  
12 purchase remedial action cost-cap insurance.

13 (5) Except for unanticipated receipts under RCW 43.79.260 through  
14 43.79.282, moneys in the state and local toxics control accounts may be  
15 spent only after appropriation by statute.

16 (6) No moneys deposited into either the state or local toxics  
17 control account may be used for: Natural disasters where there is no  
18 hazardous substance contamination; high performance buildings; solid  
19 waste incinerator facility feasibility studies, construction,  
20 maintenance, or operation; or after January 1, 2010, for projects  
21 designed to address the restoration of Puget Sound, funded in a  
22 competitive grant process, that are in conflict with the action agenda  
23 developed by the Puget Sound partnership under RCW 90.71.310. However,  
24 this subsection does not prevent an appropriation from the state toxics  
25 control account to the department of revenue to enforce compliance with  
26 the hazardous substance tax imposed in chapter 82.21 RCW.

27 (7) Except during the 2011-2013 fiscal biennium, one percent of the  
28 moneys collected under RCW 82.21.030 shall be allocated only for public  
29 participation grants to persons who may be adversely affected by a  
30 release or threatened release of a hazardous substance and to not-for-  
31 profit public interest organizations. The primary purpose of these  
32 grants is to facilitate the participation by persons and organizations  
33 in the investigation and remedying of releases or threatened releases  
34 of hazardous substances and to implement the state's solid and  
35 hazardous waste management priorities. No grant may exceed sixty  
36 thousand dollars. Grants may be renewed annually. Moneys appropriated  
37 for public participation that are not expended at the close of any  
38 biennium revert to the state toxics control account.

1       (8) The department shall adopt rules for grant or loan issuance and  
2 performance. To accelerate both remedial action and economic recovery,  
3 the department may expedite the adoption of rules necessary to  
4 implement this act using the expedited procedures in RCW 34.05.353.  
5 The department shall initiate the award of financial assistance by  
6 August 1, 2013. To ensure the adoption of rules will not delay  
7 financial assistance, the department may administer the award of  
8 financial assistance through interpretive guidance pending the adoption  
9 of rules through July 1, 2014.

10       (9) Except as provided under subsection (3)(k) and (g) of this  
11 section, nothing in this act effects the ability of a potentially  
12 liable person to receive public funding.

13       NEW SECTION. Sec. 10. A new section is added to chapter 70.105D  
14 RCW to read as follows:

15       (1) The environmental legacy stewardship account is created in the  
16 state treasury. Beginning July 1, 2013, and every fiscal year  
17 thereafter, the annual amount received from the tax imposed by RCW  
18 82.21.030 that exceeds one hundred forty million dollars must be  
19 deposited into the environmental legacy stewardship account. The state  
20 treasurer may make periodic deposits into the environmental legacy  
21 stewardship account based on forecasted revenue. Moneys in the account  
22 may only be spent after appropriation.

23       (2) Moneys in the environmental legacy stewardship account may be  
24 spent on performance and outcome based projects, model remedies,  
25 demonstrated technologies, procedures, contracts, and project  
26 management and oversight that result in significant reductions in the  
27 time to complete compared to baseline averages for:

28       (a) Purposes authorized under RCW 70.105D.070 (3) and (4);

29       (b) Storm water low-impact retrofit projects and other projects  
30 with significant environmental benefits that reduce storm water  
31 pollution from existing infrastructure and development;

32       (c) Cleanup and disposal of hazardous substances from abandoned or  
33 derelict vessels, defined for the purposes of this section as vessels  
34 that have little or no value and either have no identified owner or  
35 have an identified owner lacking financial resources to clean up and  
36 dispose of the vessel, that pose a threat to human health or the  
37 environment; and

1 (d) Appropriations to the state and local toxics control accounts  
2 created in RCW 70.105D.070 if the legislature determines that  
3 priorities for spending exceed available funds in those accounts.

4 (3) Except as provided under RCW 70.105D.070(3) (k) and (q),  
5 nothing in this act expands the ability of a potentially liable person  
6 to receive public funding.

7 NEW SECTION. **Sec. 11.** (1) For the biennium ending June 30, 2015,  
8 the state treasurer must transfer forty-five million dollars from the  
9 state toxics control account to the environmental legacy stewardship  
10 account created in section 10 of this act.

11 (2) For the biennium ending June 30, 2015, the state treasurer must  
12 transfer forty-five million dollars from the local toxics control  
13 account to the environmental legacy stewardship account.

14 NEW SECTION. **Sec. 12.** A new section is added to chapter 70.105  
15 RCW to read as follows:

16 The radioactive mixed waste account is created within the state  
17 treasury. All receipts received from facilities assessed service  
18 charges established under RCW 70.105.280 must be deposited into the  
19 account. Moneys in the account may be spent only after appropriation.  
20 Expenditures from the account may only be used for carrying out the  
21 department's powers and duties under this chapter related to the  
22 regulation of facilities that treat, store, or dispose of mixed waste  
23 or mixed waste facilities that are undergoing closure.

24 NEW SECTION. **Sec. 13.** By October 1, 2013, the state treasurer  
25 must transfer the fund balance of the mixed waste fees within the state  
26 toxics control account to the radioactive mixed waste account created  
27 in section 12 of this act. The department of ecology shall report the  
28 fund balance amount to the state treasurer for transfer into the  
29 radioactive mixed waste account.

30 **Sec. 14.** RCW 70.105.280 and 1989 c 376 s 2 are each amended to  
31 read as follows:

32 (1) The department may assess reasonable service charges against  
33 those facilities that store, treat, incinerate, or dispose of dangerous  
34 or extremely hazardous waste that contains both a nonradioactive

1 hazardous component and a radioactive component or which are undergoing  
2 closure under this chapter in those instances where closure entails the  
3 physical characterization of remaining wastes which contain both a  
4 nonradioactive hazardous component and a radioactive component or the  
5 management of such wastes through treatment or removal, except any  
6 commercial low-level radioactive waste facility. Service charges may  
7 not exceed the costs to the department in carrying out the duties of  
8 this section.

9 (2) Program elements or activities for which service charges may be  
10 assessed include:

11 (a) Office, staff, and staff support for the purposes of facility  
12 or unit permit development, review, and issuance; and

13 (b) Actions taken to determine and ensure compliance with the  
14 state's hazardous waste management act.

15 (3) Moneys collected through the imposition of such service charges  
16 shall be deposited in the (~~state toxics control~~) radioactive mixed  
17 waste account created in section 12 of this act.

18 (4) The department shall adopt rules necessary to implement this  
19 section. Facilities that store, treat, incinerate, or dispose of  
20 dangerous or extremely hazardous waste that contains both a  
21 nonradioactive hazardous component and a radioactive component shall  
22 not be subject to service charges prior to such rule making.  
23 Facilities undergoing closure under this chapter in those instances  
24 where closure entails the physical characterization of remaining wastes  
25 which contain both a nonradioactive hazardous component and a  
26 radioactive component or the management of such wastes through  
27 treatment or removal shall not be subject to service charges prior to  
28 such rule making.

29 **Sec. 15.** RCW 43.84.092 and 2013 c 251 s 3 and 2013 c 96 s 3 are  
30 each reenacted and amended to read as follows:

31 (1) All earnings of investments of surplus balances in the state  
32 treasury shall be deposited to the treasury income account, which  
33 account is hereby established in the state treasury.

34 (2) The treasury income account shall be utilized to pay or receive  
35 funds associated with federal programs as required by the federal cash  
36 management improvement act of 1990. The treasury income account is  
37 subject in all respects to chapter 43.88 RCW, but no appropriation is

1 required for refunds or allocations of interest earnings required by  
2 the cash management improvement act. Refunds of interest to the  
3 federal treasury required under the cash management improvement act  
4 fall under RCW 43.88.180 and shall not require appropriation. The  
5 office of financial management shall determine the amounts due to or  
6 from the federal government pursuant to the cash management improvement  
7 act. The office of financial management may direct transfers of funds  
8 between accounts as deemed necessary to implement the provisions of the  
9 cash management improvement act, and this subsection. Refunds or  
10 allocations shall occur prior to the distributions of earnings set  
11 forth in subsection (4) of this section.

12 (3) Except for the provisions of RCW 43.84.160, the treasury income  
13 account may be utilized for the payment of purchased banking services  
14 on behalf of treasury funds including, but not limited to, depository,  
15 safekeeping, and disbursement functions for the state treasury and  
16 affected state agencies. The treasury income account is subject in all  
17 respects to chapter 43.88 RCW, but no appropriation is required for  
18 payments to financial institutions. Payments shall occur prior to  
19 distribution of earnings set forth in subsection (4) of this section.

20 (4) Monthly, the state treasurer shall distribute the earnings  
21 credited to the treasury income account. The state treasurer shall  
22 credit the general fund with all the earnings credited to the treasury  
23 income account except:

24 (a) The following accounts and funds shall receive their  
25 proportionate share of earnings based upon each account's and fund's  
26 average daily balance for the period: The aeronautics account, the  
27 aircraft search and rescue account, the Alaskan Way viaduct replacement  
28 project account, the brownfield redevelopment trust fund account, the  
29 budget stabilization account, the capital vessel replacement account,  
30 the capitol building construction account, the Cedar River channel  
31 construction and operation account, the Central Washington University  
32 capital projects account, the charitable, educational, penal and  
33 reformatory institutions account, the cleanup settlement account, the  
34 Columbia river basin water supply development account, the Columbia  
35 river basin taxable bond water supply development account, the Columbia  
36 river basin water supply revenue recovery account, the common school  
37 construction fund, the county arterial preservation account, the county  
38 criminal justice assistance account, the deferred compensation

1 administrative account, the deferred compensation principal account,  
2 the department of licensing services account, the department of  
3 retirement systems expense account, the developmental disabilities  
4 community trust account, the drinking water assistance account, the  
5 drinking water assistance administrative account, the drinking water  
6 assistance repayment account, the Eastern Washington University capital  
7 projects account, the Interstate 405 express toll lanes operations  
8 account, the education construction fund, the education legacy trust  
9 account, the election account, the energy freedom account, the energy  
10 recovery act account, the essential rail assistance account, The  
11 Evergreen State College capital projects account, the federal forest  
12 revolving account, the ferry bond retirement fund, the freight mobility  
13 investment account, the freight mobility multimodal account, the grade  
14 crossing protective fund, the public health services account, the high  
15 capacity transportation account, the state higher education  
16 construction account, the higher education construction account, the  
17 highway bond retirement fund, the highway infrastructure account, the  
18 highway safety fund, the high occupancy toll lanes operations account,  
19 the hospital safety net assessment fund, the industrial insurance  
20 premium refund account, the judges' retirement account, the judicial  
21 retirement administrative account, the judicial retirement principal  
22 account, the local leasehold excise tax account, the local real estate  
23 excise tax account, the local sales and use tax account, the marine  
24 resources stewardship trust account, the medical aid account, the  
25 mobile home park relocation fund, the motor vehicle fund, the  
26 motorcycle safety education account, the multimodal transportation  
27 account, the municipal criminal justice assistance account, the natural  
28 resources deposit account, the oyster reserve land account, the pension  
29 funding stabilization account, the perpetual surveillance and  
30 maintenance account, the public employees' retirement system plan 1  
31 account, the public employees' retirement system combined plan 2 and  
32 plan 3 account, the public facilities construction loan revolving  
33 account beginning July 1, 2004, the public health supplemental account,  
34 the public works assistance account, the Puget Sound capital  
35 construction account, the Puget Sound ferry operations account, the  
36 real estate appraiser commission account, the recreational vehicle  
37 account, the regional mobility grant program account, the resource  
38 management cost account, the rural arterial trust account, the rural



1 mobility grant program account, the rural Washington loan fund, the  
2 site closure account, the skilled nursing facility safety net trust  
3 fund, the small city pavement and sidewalk account, the special  
4 category C account, the special wildlife account, the state employees'  
5 insurance account, the state employees' insurance reserve account, the  
6 state investment board expense account, the state investment board  
7 commingled trust fund accounts, the state patrol highway account, the  
8 state route number 520 civil penalties account, the state route number  
9 520 corridor account, the state wildlife account, the supplemental  
10 pension account, the Tacoma Narrows toll bridge account, the teachers'  
11 retirement system plan 1 account, the teachers' retirement system  
12 combined plan 2 and plan 3 account, the tobacco prevention and control  
13 account, the tobacco settlement account, the toll facility bond  
14 retirement account, the transportation 2003 account (nickel account),  
15 the transportation equipment fund, the transportation fund, the  
16 transportation improvement account, the transportation improvement  
17 board bond retirement account, the transportation infrastructure  
18 account, the transportation partnership account, the traumatic brain  
19 injury account, the tuition recovery trust fund, the University of  
20 Washington bond retirement fund, the University of Washington building  
21 account, the volunteer firefighters' and reserve officers' relief and  
22 pension principal fund, the volunteer firefighters' and reserve  
23 officers' administrative fund, the Washington judicial retirement  
24 system account, the Washington law enforcement officers' and  
25 firefighters' system plan 1 retirement account, the Washington law  
26 enforcement officers' and firefighters' system plan 2 retirement  
27 account, the Washington public safety employees' plan 2 retirement  
28 account, the Washington school employees' retirement system combined  
29 plan 2 and 3 account, the Washington state economic development  
30 commission account, the Washington state health insurance pool account,  
31 the Washington state patrol retirement account, the Washington State  
32 University building account, the Washington State University bond  
33 retirement fund, the water pollution control revolving administration  
34 account, the water pollution control revolving fund, and the Western  
35 Washington University capital projects account. Earnings derived from  
36 investing balances of the agricultural permanent fund, the normal  
37 school permanent fund, the permanent common school fund, the scientific

1 permanent fund, the state university permanent fund, and the state  
2 reclamation revolving account shall be allocated to their respective  
3 beneficiary accounts.

4 (b) Any state agency that has independent authority over accounts  
5 or funds not statutorily required to be held in the state treasury that  
6 deposits funds into a fund or account in the state treasury pursuant to  
7 an agreement with the office of the state treasurer shall receive its  
8 proportionate share of earnings based upon each account's or fund's  
9 average daily balance for the period.

10 (5) In conformance with Article II, section 37 of the state  
11 Constitution, no treasury accounts or funds shall be allocated earnings  
12 without the specific affirmative directive of this section.

13 **Sec. 16.** RCW 43.84.092 and 2013 c 251 s 4 and 2013 c 96 s 4 are  
14 each reenacted and amended to read as follows:

15 (1) All earnings of investments of surplus balances in the state  
16 treasury shall be deposited to the treasury income account, which  
17 account is hereby established in the state treasury.

18 (2) The treasury income account shall be utilized to pay or receive  
19 funds associated with federal programs as required by the federal cash  
20 management improvement act of 1990. The treasury income account is  
21 subject in all respects to chapter 43.88 RCW, but no appropriation is  
22 required for refunds or allocations of interest earnings required by  
23 the cash management improvement act. Refunds of interest to the  
24 federal treasury required under the cash management improvement act  
25 fall under RCW 43.88.180 and shall not require appropriation. The  
26 office of financial management shall determine the amounts due to or  
27 from the federal government pursuant to the cash management improvement  
28 act. The office of financial management may direct transfers of funds  
29 between accounts as deemed necessary to implement the provisions of the  
30 cash management improvement act, and this subsection. Refunds or  
31 allocations shall occur prior to the distributions of earnings set  
32 forth in subsection (4) of this section.

33 (3) Except for the provisions of RCW 43.84.160, the treasury income  
34 account may be utilized for the payment of purchased banking services  
35 on behalf of treasury funds including, but not limited to, depository,  
36 safekeeping, and disbursement functions for the state treasury and  
37 affected state agencies. The treasury income account is subject in all

1 respects to chapter 43.88 RCW, but no appropriation is required for  
2 payments to financial institutions. Payments shall occur prior to  
3 distribution of earnings set forth in subsection (4) of this section.

4 (4) Monthly, the state treasurer shall distribute the earnings  
5 credited to the treasury income account. The state treasurer shall  
6 credit the general fund with all the earnings credited to the treasury  
7 income account except:

8 (a) The following accounts and funds shall receive their  
9 proportionate share of earnings based upon each account's and fund's  
10 average daily balance for the period: The aeronautics account, the  
11 aircraft search and rescue account, the Alaskan Way viaduct replacement  
12 project account, the brownfield redevelopment trust fund account, the  
13 budget stabilization account, the capital vessel replacement account,  
14 the capitol building construction account, the Cedar River channel  
15 construction and operation account, the Central Washington University  
16 capital projects account, the charitable, educational, penal and  
17 reformatory institutions account, the cleanup settlement account, the  
18 Columbia river basin water supply development account, the Columbia  
19 river basin taxable bond water supply development account, the Columbia  
20 river basin water supply revenue recovery account, the Columbia river  
21 crossing project account, the common school construction fund, the  
22 county arterial preservation account, the county criminal justice  
23 assistance account, the deferred compensation administrative account,  
24 the deferred compensation principal account, the department of  
25 licensing services account, the department of retirement systems  
26 expense account, the developmental disabilities community trust  
27 account, the drinking water assistance account, the drinking water  
28 assistance administrative account, the drinking water assistance  
29 repayment account, the Eastern Washington University capital projects  
30 account, the Interstate 405 express toll lanes operations account, the  
31 education construction fund, the education legacy trust account, the  
32 election account, the energy freedom account, the energy recovery act  
33 account, the essential rail assistance account, The Evergreen State  
34 College capital projects account, the federal forest revolving account,  
35 the ferry bond retirement fund, the freight mobility investment  
36 account, the freight mobility multimodal account, the grade crossing  
37 protective fund, the public health services account, the high capacity  
38 transportation account, the state higher education construction

1 account, the higher education construction account, the highway bond  
2 retirement fund, the highway infrastructure account, the highway safety  
3 fund, the high occupancy toll lanes operations account, the hospital  
4 safety net assessment fund, the industrial insurance premium refund  
5 account, the judges' retirement account, the judicial retirement  
6 administrative account, the judicial retirement principal account, the  
7 local leasehold excise tax account, the local real estate excise tax  
8 account, the local sales and use tax account, the marine resources  
9 stewardship trust account, the medical aid account, the mobile home  
10 park relocation fund, the motor vehicle fund, the motorcycle safety  
11 education account, the multimodal transportation account, the municipal  
12 criminal justice assistance account, the natural resources deposit  
13 account, the oyster reserve land account, the pension funding  
14 stabilization account, the perpetual surveillance and maintenance  
15 account, the public employees' retirement system plan 1 account, the  
16 public employees' retirement system combined plan 2 and plan 3 account,  
17 the public facilities construction loan revolving account beginning  
18 July 1, 2004, the public health supplemental account, the public works  
19 assistance account, the Puget Sound capital construction account, the  
20 Puget Sound ferry operations account, the real estate appraiser  
21 commission account, the recreational vehicle account, the regional  
22 mobility grant program account, the resource management cost account,  
23 the rural arterial trust account, the rural mobility grant program  
24 account, the rural Washington loan fund, the site closure account, the  
25 skilled nursing facility safety net trust fund, the small city pavement  
26 and sidewalk account, the special category C account, the special  
27 wildlife account, the state employees' insurance account, the state  
28 employees' insurance reserve account, the state investment board  
29 expense account, the state investment board commingled trust fund  
30 accounts, the state patrol highway account, the state route number 520  
31 civil penalties account, the state route number 520 corridor account,  
32 the state wildlife account, the supplemental pension account, the  
33 Tacoma Narrows toll bridge account, the teachers' retirement system  
34 plan 1 account, the teachers' retirement system combined plan 2 and  
35 plan 3 account, the tobacco prevention and control account, the tobacco  
36 settlement account, the toll facility bond retirement account, the  
37 transportation 2003 account (nickel account), the transportation  
38 equipment fund, the transportation fund, the transportation improvement

1 account, the transportation improvement board bond retirement account,  
2 the transportation infrastructure account, the transportation  
3 partnership account, the traumatic brain injury account, the tuition  
4 recovery trust fund, the University of Washington bond retirement fund,  
5 the University of Washington building account, the volunteer  
6 firefighters' and reserve officers' relief and pension principal fund,  
7 the volunteer firefighters' and reserve officers' administrative fund,  
8 the Washington judicial retirement system account, the Washington law  
9 enforcement officers' and firefighters' system plan 1 retirement  
10 account, the Washington law enforcement officers' and firefighters'  
11 system plan 2 retirement account, the Washington public safety  
12 employees' plan 2 retirement account, the Washington school employees'  
13 retirement system combined plan 2 and 3 account, the Washington state  
14 economic development commission account, the Washington state health  
15 insurance pool account, the Washington state patrol retirement account,  
16 the Washington State University building account, the Washington State  
17 University bond retirement fund, the water pollution control revolving  
18 administration account, the water pollution control revolving fund, and  
19 the Western Washington University capital projects account. Earnings  
20 derived from investing balances of the agricultural permanent fund, the  
21 normal school permanent fund, the permanent common school fund, the  
22 scientific permanent fund, the state university permanent fund, and the  
23 state reclamation revolving account shall be allocated to their  
24 respective beneficiary accounts.

25 (b) Any state agency that has independent authority over accounts  
26 or funds not statutorily required to be held in the state treasury that  
27 deposits funds into a fund or account in the state treasury pursuant to  
28 an agreement with the office of the state treasurer shall receive its  
29 proportionate share of earnings based upon each account's or fund's  
30 average daily balance for the period.

31 (5) In conformance with Article II, section 37 of the state  
32 Constitution, no treasury accounts or funds shall be allocated earnings  
33 without the specific affirmative directive of this section.

34 NEW SECTION. **Sec. 17.** Section 15 of this act expires on the date  
35 the requirements set out in section 7, chapter 36, Laws of 2012 are  
36 met.

1        NEW SECTION.    **Sec. 18.**    Section 16 of this act takes effect on the  
2    date the requirements set out in section 7, chapter 36, Laws of 2012  
3    are met.

4        NEW SECTION.    **Sec. 19.**    If any provision of this act or its  
5    application to any person or circumstance is held invalid, the  
6    remainder of the act or the application of the provision to other  
7    persons or circumstances is not affected.

8        NEW SECTION.    **Sec. 20.**    This act is necessary for the immediate  
9    preservation of the public peace, health, or safety, or support of the  
10   state government and its existing public institutions, and takes effect  
11   July 1, 2013.

      Passed by the Senate June 13, 2013.

      Passed by the House June 13, 2013.

      Approved by the Governor June 14, 2013.

      Filed in Office of Secretary of State June 14, 2013.

CERTIFICATION OF ENROLLMENT

**HOUSE BILL 2079**

Chapter 28, Laws of 2013

63rd Legislature  
2013 2nd Special Session

ENVIRONMENTAL LEGACY STEWARDSHIP ACCOUNT

EFFECTIVE DATE: 09/28/13

Passed by the House June 25, 2013  
Yeas 56 Nays 34

FRANK CHOPP

\_\_\_\_\_  
**Speaker of the House of Representatives**

Passed by the Senate June 28, 2013  
Yeas 34 Nays 13

BRAD OWEN

\_\_\_\_\_  
**President of the Senate**

Approved July 3, 2013, 2:21 p.m.

JAY INSLEE

\_\_\_\_\_  
**Governor of the State of Washington**

CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 2079** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BARBARA BAKER

\_\_\_\_\_  
**Chief Clerk**

FILED

July 3, 2013

**Secretary of State  
State of Washington**

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HOUSE BILL 2079

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Passed Legislature - 2013 2nd Special Session

State of Washington                      63rd Legislature                      2013 2nd Special Session

By Representative Dunshee

1            AN ACT Relating to expenditures from the environmental legacy  
2            stewardship account; and amending RCW 70.105D.---

3            BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4            **Sec. 1.** RCW 70.105D.--- and 2013 2nd sp.s. c 1 s 10 are each  
5            amended to read as follows:

6            (1) The environmental legacy stewardship account is created in the  
7            state treasury. Beginning July 1, 2013, and every fiscal year  
8            thereafter, the annual amount received from the tax imposed by RCW  
9            82.21.030 that exceeds one hundred forty million dollars must be  
10           deposited into the environmental legacy stewardship account. The state  
11           treasurer may make periodic deposits into the environmental legacy  
12           stewardship account based on forecasted revenue. Moneys in the account  
13           may only be spent after appropriation.

14           (2) Moneys in the environmental legacy stewardship account may be  
15           spent on:

16           (a) Grants or loans to local governments for performance and  
17           outcome-based projects, model remedies, (~~demonstrated technologies~~)  
18           demonstration projects, procedures, contracts, and project management



1 and oversight that result in significant reductions in the time to  
2 complete compared to baseline averages (~~(for~~

3 ~~(a))~~);

4 (b) Purposes authorized under RCW 70.105D.070 (3) and (4);

5 ~~((b) Storm water low impact retrofit projects and other projects~~  
6 ~~with significant environmental benefits that reduce storm water~~  
7 ~~pollution from existing infrastructure and development;))~~

8 (c) Grants or loans awarded through a competitive grant program  
9 administered by the department to fund design and construction of low-  
10 impact development retrofit projects and other high quality projects  
11 that reduce storm water pollution from existing infrastructure. The  
12 competitive grant program must apply criteria to review, rank, and  
13 prioritize projects for funding based on their water quality benefits,  
14 ecological benefits, and effectiveness at reducing environmental  
15 degradation; and

16 (d) Cleanup and disposal of hazardous substances from abandoned or  
17 derelict vessels, defined for the purposes of this section as vessels  
18 that have little or no value and either have no identified owner or  
19 have an identified owner lacking financial resources to clean up and  
20 dispose of the vessel, that pose a threat to human health or the  
21 environment~~((and~~

22 ~~(d) Appropriations to the state and local toxics control accounts~~  
23 ~~created in RCW 70.105D.070 if the legislature determines that~~  
24 ~~priorities for spending exceed available funds in those accounts)).~~

25 (3) Except as provided under RCW 70.105D.070(3) (k) and (q),  
26 nothing in this act expands the ability of a potentially liable person  
27 to receive public funding.

Passed by the House June 25, 2013.

Passed by the Senate June 28, 2013.

Approved by the Governor July 3, 2013.

Filed in Office of Secretary of State July 3, 2013.