

## Model Toxics Control ACT (MTCA) 10 – Year Financing Report

### Background

The Model Toxics Control Act or MTCA (chapter 70.105D RCW) was established through a citizen initiative (Initiative 97) in November 1988. The law funds hazardous waste cleanup and prevention activities through a tax on the wholesale value of hazardous substances. This tax (the Hazardous Substances Tax) is imposed on petroleum products, pesticides, and certain chemicals at a rate of \$7 per \$1,000 of wholesale value. Revenues from the tax are placed in the State Toxics Control Account (STCA) and the Local Toxics Control Account (LTCA). The STCA is used to support toxics waste cleanup, hazardous waste planning, hazardous waste prevention, solid waste planning, waste management and technical assistance, and other programs at the Department of Ecology and other state agencies. The LTCA is used primarily to support local efforts to plan for solid and hazardous waste management, prevent contamination and clean up hazardous waste sites, and reduce and recycle solid and hazardous wastes.

### 2007 Legislative Session and 10-Year MTCA Financing Report

In the 2007 session, the Legislature passed Substitute House Bill 1761, requiring that Ecology prioritize MTCA funding to clean up hazardous waste sites and prevent the creation of future hazards due to improper disposal of toxic wastes. The law requires Ecology to submit a comprehensive 10-year MTCA financing report to the Legislature in coordination with local governments having cleanup responsibilities by December 20 in even numbered years. The report is designed to provide more planning certainty for the state, local jurisdictions and ports regarding future hazardous waste cleanup, and toxics release and waste prevention needs. Ecology's report will include:

- Identification of long-term hazardous waste cleanup needs for local governments and projections of future costs for programs and activities funded under the LTCA;
- Through consultation with local governments, capital reserve estimates for long-term hazardous waste cleanup and prevention projects;
- Identification of the projected remedial action needs for orphaned, abandoned, and other cleanup sites eligible for funding from the STCA;

#### MORE INFORMATION

For more information about Ecology's efforts to implement the legislature's 10-year MTCA financial reporting requirement and related activities, contact:

#### Ecology Financial Services:

Jim Miernyk  
360-407-7412  
[Jmie461@ecy.wa.gov](mailto:Jmie461@ecy.wa.gov)

Erik Fairchild  
360-407-7282  
[efai461@ecy.wa.gov](mailto:efai461@ecy.wa.gov)

#### Special accommodations:

If you need this publication in an alternate format, call the Financial Services Office at 360-407-7142. Persons with hearing loss, call 711 for Washington Relay Service. Persons with a speech disability, call 877-833-6341.

- Identification of projected solid and hazardous waste planning, prevention, reduction and recycling, and solid waste facility compliance and enforcement needs eligible for funding from LTCA and STCA;
- Long-term projections of the remedial action need, cost, revenue, and capital reserve estimates for both the LTCA and the STCA; and
- Ranked lists of remedial action projects under both accounts.

### **Approach for Preparing the 10-Year Financing Report**

Ecology has developed a process for completing the comprehensive 10-year financing report by December 20, 2008. This process includes the following main phases:

- Planning and Stakeholder Outreach (December 2007-ongoing). Includes developing a project work plan, scheduling activities, defining key milestones and products, developing a stakeholder outreach plan, and meeting with key stakeholder groups.
- Financial Planning (January 2008-July 2008). Development of assumptions, determining financial model content and layout, developing program cost data, forecasting revenues and expenditures, and ensuring consistency with the 2009-11 budget process.
- Report Preparation (February 2008-September 2008). Includes providing background information, summarizing financial data, describing forecasting methods and findings, assembling program information, and drafting the report.
- Data and Report Review and Revisions (July 2008-October 2008). Includes reviewing program activity/initiative plans and project lists, reviewing financial data and forecasts, and sharing results with stakeholders.
- Final Report (September 2008 – December 2008). Finalize and submit report to the Legislature.

### **Next Steps – Stakeholder Input**

Among the next steps in the process of preparing the 10-year financing report is conducting stakeholder meetings. These meetings will be with local governments, the MTCA stakeholder group, Solid Waste Advisory Committee (SWAC), legislative staff, other state agencies with MTCA funding, and the Puget Sound Partnership.

The stakeholder meetings will provide opportunities for input on the following: the 10-year financing report project timeline and report assumptions; insight into more technical issues related to toxic waste cleanup; solid and hazardous waste planning; waste prevention and reduction; recycling and solid waste facility compliance and enforcement needs; and project lists, cost estimates, and prioritization.