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ECOLOGY
State of Washington

Model Toxics Control Accounts

Ten-Year Financing Report 2016

Toxics Cleanup Program

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Toxics Cleanup Program

Toxics Cleanup Program
Washington State Department of Ecology
Olympia, Washington

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Table of Contents

Tables and Figures..... iv

Acronyms and Abbreviations v

Acknowledgments..... vii

Summary 1

 Overview: MTCA Ten-Year Financing Report 2016..... 2

 Overview: Sustained Drop in Crude Oil Prices Impacts Hazardous Substance Tax
 Forecasts and Collections 3

 Overview: Financing Needs for Local Governments’ Remedial Action Grants 4

 Overview: Financing Needs for State-Directed Work..... 6

 Overview: Financing Needs for Large Multi-Biennia Cleanup Projects 8

 Learn More about Ecology’s Work and Remedial Action Benefits 9

Chapter 1: Introduction..... 11

 Ecology and the Toxics Cleanup Program..... 11

 The Model Toxics Control Act..... 11

 Legislative Changes Direct Ten-Year Reporting Requirements..... 12

 MTCA Amendments in 2007 and 2013..... 12

 Legislature Establishes Criteria for Prioritizing Funding during 2015–17 Biennium 13

 Ecology’s Legislative Reports as of September 2016..... 13

 Ecology’s Two MTCA Financial Reports Work in Tandem..... 13

 MTCA Ten-Year Financing Report 14

 MTCA Biennial Report 14

 Assumptions in the 2016 MTCA Ten-Year Financing Report..... 15

Chapter 2: Model Toxics Control Act Funding and Uses 17

 Hazardous Substance Tax Funds the Model Toxics Control Accounts..... 17

 2015–17 Biennium Capital Budget and MTCA Revenue Decline 19

 Ecology Actively Managing MTCA Revenue Shortfall..... 21

 MTCA Funding Alternatives 23

 2017–19 Biennium Capital Budget Requests..... 23

Chapter 3: Remedial Actions and the Ten-Year Financing Plan	25
Remedial Actions Remove Hazardous Threats	25
Funding in Context.....	26
Soliciting, Identifying, and Ranking Cleanup Projects for the MTCA Ten-Year Financing Report 2016.....	28
Soliciting and Identifying Local Government Cleanup Projects.....	28
Identifying State-Directed Cleanup Work.....	28
Ranking Cleanup Projects	29
MTCA’s Cleanup Process Informs Project Prioritization	29
Financial Stability Key for Successful Cleanups	31
Additional Challenges Impact Rate of Cleanups.....	36
Financing Large Cleanups.....	36
Extended Grant Agreements	36
Brownfields Cleanup and Redevelopment.....	37
Area-wide Contamination	38
Site Complexity Affects Cleanup Speed	38
Strong Tools Benefit Staff and Help Speed Rate of Cleanups.....	39
Chapter 4: Local Government Remedial Action Grant Financing Needs	41
Partnering with Local Governments to Outline the Need	41
Remedial Action Grant Program	41
Rules Governing Cleanup under MTCA	42
Types of RAG Grants	43
Ranking Projects for RAG Program Funding	44
Summary of Estimated Local Government Cleanup Costs.....	45
Ten-Year Funding Estimates for MTCA Account Funding.....	45
2017–19 Biennium Budget Request for Local Government RAG Funding	46

Chapter 5: State-Directed Work Financing Needs..... 47

Orphaned & Abandoned Sites / Sites with Non-Compliant Owners / Emergency
Needs 47

Ranking State-Directed Projects for MTCA Funding..... 47

New Sites Will Require MTCA Funding in the Future 48

Summary of Estimated Cleanup Costs for State-Directed Work..... 48

 Ten-Year Funding Estimates for State-Directed Work..... 48

 2017–19 Biennium Budget Request 49

Chapter 6: Large Multi-Biennia Cleanup Project Financing Needs..... 51

Conclusion..... 55

Appendix A: Financing Tables..... 63

**Appendix B: Reporting Requirements for MTCA Ten-Year Financing Report
(RCW 70.105D.030(5))** 85

**Appendix C: House & Senate Bills that Direct the MTCA Ten-Year Financing
Report**..... 87

Tables and Figures

Table 1: Summary of estimated local governments' financing needs for cleanup efforts between 2017 and 2027. See Tables 6A & 6B in Appendix A for details.	5
Table 2: Summary of estimated financing needs to conduct state-directed cleanup efforts between 2017 and 2027. See Tables 7A & 7B in Appendix A for details.	7
Table 3: Summary of estimated financing needs for large, multi-biennia cleanup projects expected to exceed \$10M between 2017 and 2027. See Table 8 in Appendix A for details.....	8
Table 4: Estimated revenue in MTCA accounts.....	19
Table 5: Estimated fund balances for MTCA-related accounts (Ecology Central Budget Office).....	19
Tables 6 through 8 (Financing Tables): Located in Appendix A.....	63

Figure 1: Hazardous Substance Tax revenue (reflects June 2016 forecast).....	18
Figure 2: Confirmed and suspected sites in Washington as of June 30, 2016.....	27
Figure 3: Remedial Action Grant estimated state share ten-year need 2017-27	34
Figure 4: Remedial Action Grant estimated state share ten-year need by cleanup phase	35
Figure 5: Artist's rendition of Aberdeen's South Waterfront Redevelopment site, future homeport of the <i>Lady Washington</i> and <i>Hawaiian Chieftain</i> . Credit: SRG Architects....	37
Figure 6: Ten-year projects over \$10 million through 2025-27 Biennium (state and local government share combined).....	53
Figure 7: Ten-year estimated cleanup funding needs comparison 2010, 2012, 2014, and 2016: County. Map represents the earliest collection of raw data for this report and may yield discrepancies when compared to the Financing Tables. Refer to Tables 6A and 6B for the most refined site-specific data.	58
Figure 8: Ten-year estimated cleanup funding needs through 2025-27 Biennium: County.....	59
Figure 9: Ten-year estimated cleanup funding needs through 2025-27 Biennium: Legislative District	60
Figure 10: Ten-year estimated cleanup funding needs through 2025-27 Biennium: Puget Sound Legislative Districts (inset map).....	61

Acronyms and Abbreviations

AFRS	Agency Financial Reporting System
CC	Construction Complete (part of CC/O&M/Performance Monitoring)
CLARC	Cleanup Level and Risk Calculations database
DOR	Washington State Department of Revenue
ECY	Washington State Department of Ecology
FOB	Free on Board
ELSA	Environmental Steward Legacy Account (one of three MTCA accounts)
EPA	Environmental Protection Agency
GAAP	generally accepted accounting principles
HST	Hazardous Substance Tax
ISIS	Integrated Site Information System
LDW	Lower Duwamish Waterway
LTCA	Local Toxics Control Accounts (one of three MTCA accounts)
LUST	leaking underground storage tank
MTCA	Model Toxics Control Act
MTCA Plan	Model Toxics Control Accounts Cash Management Plan
NFA	No Further Action
O&M	Operation and Maintenance (part of CC/O&M/Performance Monitoring)
Perf Monitoring	Performance Monitoring (part of CC/O&M/Performance Monitoring)
PLP	potentially liable person or party
RAG	Remedial Action Grant Program
RCW	Revised Code of Washington
SCUM II	Sediment Cleanup Users Manual
SHA	Site Hazard Assessments
SMS	Sediment Management Standards

Acronyms and Abbreviations

STCA	State Toxics Control Account (one of three MTCA accounts)
STRP	State and Tribal Response Program
TCP	Toxics Cleanup Program
UST	underground storage tank
VCP	Voluntary Cleanup Program
VI	vapor intrusion
WAC	Washington Administrative Code

Acknowledgments

Over the decades, past industrial practices, waste disposal methods, and unintentional spills significantly impacted Washington's land and water resources. Cleaning up that contamination improves our quality of life. It restores the environment, protects human health, puts people to work, and creates opportunities for economic development. As Program Manager of Ecology's Toxics Cleanup Program (TCP), it is my privilege to lead the dedicated, talented professionals who are involved in the cleanup process. These individuals work closely with local governments to make the restoration of our land and water resources a priority.

The Model Toxics Control Act (MTCA) is the basis for cleanup work in Washington. Much has been accomplished in the 27 years since its passage, yet much work remains. The *Model Toxics Control Accounts Ten-Year Financing Report 2016* helps us focus on that remaining work. This report incorporates expenditures from the previous biennium to help update the ten-year forecast of local government needs. It identifies funding priorities for cleanups that can reasonably be conducted over the next ten years, and illustrates the 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 cleanup project managers and local governments who produced the project lists and ten-year cost estimates.

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Summary

The Toxics Cleanup Program (TCP) at the Washington State Department of Ecology (Ecology) works to prevent and clean up contamination stemming from past business practices and accidental spills of dangerous materials. TCP's goal is to remove these toxic waste threats that can negatively impact Washington's human health, neighborhoods, environment, and economic development.

This report, the *Model Toxics Control Accounts Ten-Year Financing Report 2016*, outlines the estimated financing that is needed to conduct this critical cleanup work. It identifies projects and grant programs that were included in Ecology's budget request submitted to the Governor for the 2017–19 Biennium. The report also spotlights the public financing needed for the state and local governments to conduct cleanups over the next decade.

The MTCA Ten-Year Financing Reports are developed in cooperation with local governments and produced in September every other year in response to the legislative requirements outlined in [RCW 70.105D.030](#) (3) and (5) (see also Appendix B).

In 1988, the Model Toxics Control Act (MTCA) was passed by Washington voters as Initiative 97. 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 conduct this cleanup and prevention work, voters authorized a Hazardous Substance Tax (HST) on hazardous materials, including petroleum products, some chemicals, and pesticides.

Over the last 27 years, Ecology has identified more than 12,450 hazardous sites in Washington that have confirmed or suspected contamination. While working in partnership with local governments and other agencies, Ecology continues to make tangible progress to remove these toxic threats from our communities. As of June 30, 2016, more than 6,600 contaminated sites have been cleaned up and/or determined to require no further action.¹ Cleanup actions have been completed at almost 200 other sites that are being monitored to ensure their cleanup remedies are working.

However, thousands of contaminated sites remain and hundreds more are reported each year. More than 5,600 sites in Washington require further investigation and cleanup. Thanks to site

¹ As anticipated in the *MTCA Ten-Year Financing Report 2014*, this number reflects a reporting refinement. Sites that had been previously and independently reported by private parties as “Cleanup Complete” have been verified by Ecology and re-cataloged as “No Further Action” or “Cleanup Started.” The reclassification is providing a more accurate count and description of such sites going forward.

Summary

owners or the state, about 3,800 of those sites have begun cleanup actions but nearly 1,800 of those sites have not yet started their investigations or cleanups. The problem is compounded as reports of new sites continue to escalate at an alarming rate: an average of 270 new contaminated sites are reported to Ecology each year, with a record 400 new sites reported in 2015 alone.

Of the 12,450-plus contaminated sites in Washington, more than 2,600 sites (approximately 21%) are publicly owned. This requires significant public funding to conduct the cleanups. Public funding is also often required for privately owned sites that are orphaned and abandoned, and for sites with non-compliant owners or emergency cleanup needs.

Cleanup financing needs will likely always exceed available public funding. Yet having a comprehensive understanding of the scope of those cleanups—and the powerful impact they have on Washington’s environment and economy—will help to manage limited financial resources efficiently. This report, summarized below, helps build an understanding of the cleanup funding challenges facing Washington State.

The responsibility to protect Washington’s human health and environment is both a heavy burden and a privilege, shared by all. Each of us—from Ecology staff, to our citizen, local, state, and federal partners—must continue working together to find financial and science-based solutions that safeguard the environment for Washington’s seven million residents today and for the generations to follow.

Overview: MTCA Ten-Year Financing Report 2016

MTCA requires Ecology to work with local governments to prepare a comprehensive ten-year financing report that identifies long-term remedial action project costs, and projects future needs (RCW 70.105D.030 (3) and (5)). In 2013, the Washington Legislature revised the report requirements to include:

- 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.
- Projected remedial action needs for orphaned, abandoned, and other cleanup sites that are eligible for funding from STCA.
- A ranked list of 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.
- *See Chapters 1 and 3 for more information about the MTCA reports, project ranking criteria, and Ecology's critical work to clean up Washington's contaminated sites.*

Overview: Sustained Drop in Crude Oil Prices Impacts Hazardous Substance Tax Forecasts and Collections

The MTCA accounts are primarily funded by revenue from the Hazardous Substance Tax (HST) that is collected by the Department of Revenue (DOR). The tax is imposed on the first possession in the state of petroleum products, pesticides, and certain chemicals. Currently, more than 95% of the revenue deposited into the MTCA accounts comes from HST payments.

Since the summer of 2014, crude oil prices have dropped from a high of \$104 per barrel to below \$30 in January 2016. The commodity price for May through June 2016 has ranged between \$45 and \$48 per barrel. The lower oil prices² have driven reductions in both actual revenues during the 2015–17 Biennium and DOR's projected MTCA revenues for the 2017–19 Biennium. Ecology's biennial budgets for 2015–17 and 2017–19 were developed and managed in the face of a significant decline in funding that stems from depressed and volatile crude oil prices.

Subsequent to DOR's HST revenue forecast in May 2015 (the basis for Ecology's 2015–17 biennial budget), projected revenue for the MTCA accounts has dropped by \$97 million in 2015–17 and \$121 million in 2017–19, leaving the projected overall MTCA fund balance for 2017–19 of negative \$78 million across the three accounts. This was not only an unprecedented decline for the HST, but an enormous reduction in capacity of MTCA funds.

Because the MTCA fund balance cannot support all existing or new appropriation requests for cleanup projects in the 2017–19 Biennium, Ecology will make the budget requests detailed in this report from State Building Construction Account appropriations. While this will be a significant revenue source change for the Governor and Legislature to consider in their 2017–19 biennial budget decisions, it does not alter the substance or utility of the information provided in this report.

- *See Chapter 2 for more information about the impact of crude oil prices on HST revenues.*

² Source: Europe Brent Spot Price FOB (dollars per barrel), U.S. Energy Information Administration (www.eia.gov)

Overview: Financing Needs for Local Governments' Remedial Action Grants

MTCA accounts are used to fund studies and cleanup actions at sites that are owned or operated by local governments. This work is collectively known as the Remedial Action Grant program (RAG), which is comprised of several grant programs:

- Oversight Remedial Action Grants (the majority of grants);
- Extended Grant Agreements;
- Independent Remedial Action Grants (also known as Voluntary Cleanup Remedial Action Grants, or Voluntary Cleanup Program);
- Area-wide Groundwater Grants;
- Safe Drinking Water Action Grants;
- Site Assessment Grants (also known as Site Hazard Assessment Grants or SHAs); and
- Integrated Planning Grants (IPGs).

Ecology worked with local governments to identify 103 locally owned projects that could reasonably undergo remedial actions in the Oversight RAG Program over the next ten years. In addition, Ecology identified a total of four other grant programs to be conducted over the next ten years (Independent, SHAs, Area-wide, and IPGs), associated grant management, and a placeholder for future needs. Ecology estimates these efforts will require approximately \$1.8 billion in total project costs (state and local share combined) to conduct this work.

Ecology ranked Remedial Action Grants (as done for state-directed projects) to reflect the relative priority for funding during the 2017–19 Biennium. Ranking criteria was driven by Section 7038(3) of the 2015–17 Capital Budget, Second Engrossed House Bill 1115³ (2EHB 1115) which authorized Ecology to delay the start of cleanup projects based on acuity of need, readiness to proceed, cost efficiency, and need for geographic distribution.

In addition to this directive, TCP managers used other criteria when ranking the projects, including the managers' understanding of the risk to human health and the environment, and land re-use potential.

➤ *See Table 1 for a summary of estimated local government financing needs, and Chapter 4 and Tables 6A & 6B for details.*

³ Section 7038, Chapter 3, Laws of 2015, 3rd sp. sess. See Appendix C.

Summary

Table 1: Summary of estimated local governments' financing needs for cleanup efforts between 2017 and 2027. See Tables 6A & 6B in Appendix A for details.

OVERVIEW OF FINANCING TABLES FOR LOCAL GOVERNMENTS						
Table No.	Table Title	Description	No. of projects	How were projects ranked or sorted?	In Ecology's 2017–19 Biennium budget request?	State share of total project costs over ten years (estimated)
6A	2017–19 Remedial Action Grant (RAG) Budget Request	Local governments' financing needs for oversight grants and grant programs for the 2017–19 Biennium.	18 sites + 3 grant programs & associated grant management	Ranked by criteria in 2EHB 1115 Section 7038	Yes = \$40 million	\$142 million
6B	2017–27 Remaining Ten-Year Financing Needs Based on Local Governments' Responses	Remaining local government projects reveal the significant amount of cleanup financing still needed over the next ten years.	85 sites + 2 grant programs	Not ranked. Sorted by region and county then grant recipient.	No	\$464 million
Summary of RAG Ten-Year Financing Needs	Summary of: Governor's budget request + Remaining needs	Combined total to conduct and support local government cleanups over the next ten years (2017-2027).	103 sites + 4 grant programs & associated grant management + placeholder for future needs	Not applicable.	See Summary at end of Table 6B.	\$811 million

Overview: Financing Needs for State-Directed Work

MTCA accounts are also used to fund remedial actions directed by the state, including:

- 1) State-directed investigations and cleanup at orphaned or abandoned properties;
- 2) State cost-share at Federal Superfund sites where the Environmental Protection Agency (EPA) is performing the cleanup action;
- 3) Emergency removals and cleanup actions; and
- 4) Actions to support investigations and cleanup of multiple sites statewide.

Ecology identified 79 state-directed projects that could reasonably be conducted over the next ten years. Ecology estimates that more than \$251 million will be required to support this work.

As done for Remedial Action Grants, Ecology ranked state-directed projects using criteria in 2EHB 1115 and other criteria, including Toxics Cleanup Program managers' understanding of the risk to human health and the environment, and land re-use potential.

➤ *See Table 2 for a summary of estimated state-directed work funding needs. See Chapter 5 and Tables 7A & 7B for detailed information.*

Summary

Table 2: Summary of estimated financing needs to conduct state-directed cleanup efforts between 2017 and 2027. See Tables 7A & 7B in Appendix A for details.

OVERVIEW OF FINANCING TABLE FOR STATE-DIRECTED WORK						
Table No.	Table Title	Description	No. of projects	How were projects ranked or sorted?	In Ecology's 2017-19 Biennium budget request?	State costs over ten years (estimated)
7A-EW CSI Eastern WA Clean Sites Initiative (EW CSI)	2017-19 Eastern Washington Budget Request	State-directed cleanup work or projects focusing on Eastern Washington through the <i>Eastern Washington Clean Sites Initiative</i> (EW CSI).	6 sites	Ranked by criteria in 2EHB 1115 Section 7038 .	Yes = \$5 million	\$7 million
7A-PSI Puget Sound Initiative (PSI)	2017-19 Clean Up Toxic Sites—Puget Sound Budget Request	State-directed cleanup work or projects focusing on the Puget Sound region through the <i>Puget Sound Initiative</i> (PSI).	10 sites	Ranked by criteria in 2EHB 1115 Section 7038 .	Yes = \$20 million	\$91 million
7A-LTMR Leaking Tank Model Remedies (LTMR)	2017-19 Leaking Tank Model Remedies Budget Request	State-directed cleanup work or projects that focus on cleaning up leaking underground storage tanks & developing standardized methods (“model remedies”) to help accelerate the pace of cleanups.	19 sites + 3 statewide model remedy programmatic activities	Ranked by criteria in 2EHB 1115 Section 7038 .	Yes = \$2 million	\$10 million
7B-Remaining Need	2017-27 Remaining Ten-Year Financing Needs for Conducting State-Directed Cleanups	Remaining estimated financing needed to conduct & manage state-directed cleanup efforts (2017-2027) for: <ul style="list-style-type: none"> • PSI cleanups; • EW CSI cleanups; • LTMR cleanups & management. 	41 sites + placeholder for future needs	Not ranked. Sorted by region then city.	No	\$143 million
Summary of State-Directed Ten-Year Financing Needs	Summary of: Governor's budget request + Remaining needs	Combined total to conduct all state-directed work over next ten years (2017-2027).	76 sites + 3 model remedies activities + placeholder for future needs inc. emergency removals and cleanups	Not applicable.	See Summary at end of Table 7B.	\$251 million

Overview: Financing Needs for Large Multi-Biennia Cleanup Projects

RCW 70.105D.030 (5)(d) requires Ecology to provide separate budget estimates for large, multi-biennia cleanup projects that exceed \$10 million dollars.

Ecology and local governments identified 25 projects with estimated costs greater than \$10 million. These agencies estimate that approximately \$947 million in shared costs will be needed for the 25 projects over the next ten years. These projects are a subset of the project lists discussed in Chapters 4 and 5.

➤ See Table 3 for summary; see Chapter 6 and Table 8 for details.

Table 3: Summary of estimated financing needs for large, multi-biennia cleanup projects expected to exceed \$10M between 2017 and 2027. See Table 8 in Appendix A for details.

OVERVIEW OF FINANCING TABLE FOR \$10M PROJECTS						
Table No.	Table Title	Description	No. of projects	How were projects ranked or sorted?	In Ecology's 2017–19 Biennium budget request?	State share of total project costs over ten years (estimated)
8	2017–27 Projects over \$10M	Projects from local governments and state-directed work (Tables 6A&B and 7A&B) expected to exceed \$10 million dollars in total project costs over the next ten years (2017-2027).	25 sites	Not ranked in this table. Sorted by city.	Some = \$31 million	\$457 million

Learn More about Ecology's Work and Remedial Action Benefits

This report outlines existing and estimated future needs for cleanup actions funded by the MTCA accounts. Learn more about Ecology's critical work to clean up, prevent, and protect Washington's residents and environment from hazardous waste:

- **Visit Ecology's website:** <http://www.ecy.wa.gov/>
- **Review Ecology's biennial publication *Budget & Program Overview*** (Publication No. 15-01-007): <https://fortress.wa.gov/ecy/publications/SummaryPages/1501007.html>
- **Contact Toxics Cleanup Program staff** in your region to learn about specific cleanups happening in your neighborhood: <http://www.ecy.wa.gov/directory.html>
- **Explore Toxics Cleanup Program's "What's In My Neighborhood"** for interactive maps of cleanups happening across our state: <https://fortress.wa.gov/ecy/neighborhood/>
- **Access Toxics Cleanup Program's Web Reporting portal** for more information about the 12,450-plus cleanup sites known to Ecology, which include those mentioned in this report.⁴ The data draws from two of Ecology's environmental databases, the Integrated Site Information System (ISIS) and the Underground Storage Tank (UST) System. Access the portal at: <https://fortress.wa.gov/ecy/tcpwebreporting/>

⁴ As of June 30, 2016, "12,450-plus" includes federal sites tracked by the Environmental Protection Agency (EPA).

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Chapter 1: Introduction

Ecology and the Toxics Cleanup Program

Ecology's mission is to protect, preserve, and enhance Washington's land, air, and water for current and future generations.

The Toxics Cleanup Program's (TCP) mission refines that even further: to protect Washington's human health and environment by preventing and cleaning up pollution, and supporting sustainable communities and natural resources for the benefit of current and future generations.

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*

The Model Toxics Control Act

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. The program provides cleanup oversight, manages hazardous waste site cleanups in the state, and develops the rules and guidance that govern cleanup. The program also administers grants to local governments to assist with assessment and cleanup.

Legislative Changes Direct Ten-Year Reporting Requirements

MTCA Amendments in 2007 and 2013

MTCA was amended by the Legislature in 2007 through Substitute House Bill 1761 (Chapter 446, Laws of 2007). 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 2nd Special Session) and House Bill 2079 (Chapter 28, Laws of 2013 2nd 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 or suspected 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 [then] 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.

Legislature Establishes Criteria for Prioritizing Funding during 2015–17 Biennium

In June 2015, the Legislature passed its 2015–17 Biennium Capital Budget (2EHB 1115 (Chapter 3, Laws of 2015 3rd Special Session)).

In Section 7038 of this bill, which helped address the MTCA accounts shortfall discussed in Chapter 2, the Legislature authorized Ecology to “delay the start of clean-up projects based on acuity of need, readiness to proceed, cost-efficiency, or need to ensure geographic distribution.” These criteria gave Ecology direction about how to prioritize which cleanup projects would proceed and which would need to be delayed.

For more details about how Ecology ranked projects in this report, see Chapter 3, “Soliciting, Identifying, and Ranking Cleanup Projects for the Ten-Year Report.”

Ecology’s Legislative Reports as of September 2016

Ecology’s current reporting requirements are outlined in MTCA [RCW 70.105D.030(1)]:

- MTCA Ten-Year Financing Report (biennial, due September 20th, even-numbered years)⁵
- MTCA Biennial Report (replaced the Annual Report in 2013; biennial, due December 1st, odd-numbered years)
- Brownfield Redevelopment Trust Fund Account Reporting (biennial, due October 31st, odd-numbered years)
- Model Remedy Report (one time, due November 1, 2016)

Ecology’s Two MTCA Financial Reports Work in Tandem

The MTCA Ten-Year Financing Report is produced every other year in cooperation with local governments. It contains the estimated financing needs to conduct cleanups in Washington over the next ten years.

The MTCA Biennial Report is produced in alternating years and highlights Ecology’s MTCA cleanup expenditures from the previous biennium. It also contains the Hazardous Sites List (HSL) which describes more than 1,800 ranked contaminated sites with cleanup actions yet to be completed under MTCA. The HSL is a subset of the more than 12,450 cleanup sites in Ecology’s Integrated Site Information System (ISIS) database.

⁵ 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.

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 MTCA Ten-Year Financing Reports identify long-term remedial action estimated costs and projects future needs.

In 2013, RCW 70.105D.030(5)(a) further clarified that these reports concentrate on “[h]azardous 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]” (see Appendix B for statute language).

This is the fifth MTCA Ten-Year Financing Report, each of which may be found online:

- 2016: <https://fortress.wa.gov/ecy/publications/SummaryPages/1609060.html>
- 2014: <https://fortress.wa.gov/ecy/publications/SummaryPages/1409055.html>
- 2012: <https://fortress.wa.gov/ecy/publications/SummaryPages/1309045.html>
- 2010: <https://fortress.wa.gov/ecy/publications/summarypages/1109045.html>
- 2008: <https://fortress.wa.gov/ecy/publications/summarypages/0801044.html>

MTCA Biennial Report

The MTCA Ten-Year Financing Report is a companion piece to the MTCA Biennial Report that is produced in alternating years.

RCW 70.105D.030(6) directs Ecology to produce a biennial report by December 1st of each odd-numbered year. The report describes Ecology’s activities that are supported by appropriations from the MTCA accounts. It outlines the statewide and local progress made in cleaning up hazardous waste sites, and contains descriptions of known hazardous waste sites, their hazard ranking, and summary of expenditures for each site.

Following legislative changes to MTCA in 2013, biennial reports replaced annual reports. Ecology’s MTCA Biennial Reports (2013 and 2015) and MTCA Annual Reports (1986-2012) may be found at: http://www.ecy.wa.gov/programs/tcp/MTCA_AnnualReport/annualRpt.html

Assumptions in the 2016 MTCA Ten-Year Financing Report

- For purposes of this report, an individual “cleanup site” may also be referred to as a “cleanup project.” When “project” or “program” references a statewide activity, effort has been made to describe it as statewide.
- The report identifies the projected costs of remedial actions on hazardous waste sites across Washington, for work expected to extend over the next ten years. In past reports, projected costs would be funded by the three MTCA accounts into which the HST is deposited: STCA, LTCA, and ELSA. With the decline in HST revenues since May 2015, Ecology’s 2017–19 Biennium budget request is for State Building Construction Account appropriations—not MTCA account appropriations.
- MTCA projected revenues use Washington State Department of Revenue’s latest HST forecast (June 2016). See Chapter 2 for details.
- Information is organized by the local government and state-directed needs for cleanup efforts:
 - Local government sites being cleaned up under the Remedial Action Grant (RAG) Program are prioritized in order of relative funding need priority for the 2017–19 Biennium. See Chapter 4 for details.
 - State-directed remedial action projects are prioritized in order of relative funding need priority for the 2017–19 Biennium. Sites included in Ecology’s 2017–19 Biennium budget request are categorized by *Eastern Washington Clean Sites Initiative (EW CSI)*, *Clean Up Toxic Sites—Puget Sound Initiative (PSI)*, and *Leaking Tank Model Remedies (LTMR)*. See Chapter 5 for details.
 - Projects estimated to exceed \$10 million in total project costs comprise a mix of local and state-directed projects and are organized by city. Most of these projects are expected to occur over multiple biennia between 2017 and 2027. See Chapter 6.
- Beginning in Chapter 6, Figures 6 through 10 map the local and state-directed funding needs by county and legislative districts.
- Cost estimates for the local government financing needs were solicited from local governments, and state-directed cleanup needs from Ecology staff. The estimates are for planning purposes and were based upon the best available, self-reported information at the time of this report. Ecology anticipates that these estimates will change as site information is updated throughout the ten-year period from 2017 to 2027.

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Chapter 2: Model Toxics Control Act Funding and Uses

Hazardous Substance Tax Funds the Model Toxics Control Accounts

The Model Toxics Control Act (MTCA) accounts⁶ are primarily funded by revenue from the Hazardous Substance Tax (HST) that is 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% 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.

Figure 1 on the next page displays HST revenue from inception of the tax. It also includes DOR's latest (June 2016) revenue forecast for the tax.⁷

⁶ State Toxics Control Account (173-STCA); Local Toxics Control Account (LTCA-174); and Environmental Stewardship Legacy Account (ELSA-19G).

⁷ The June 2016 forecast includes actual receipts through May 2016 and forecast for the remainder of the fiscal year.

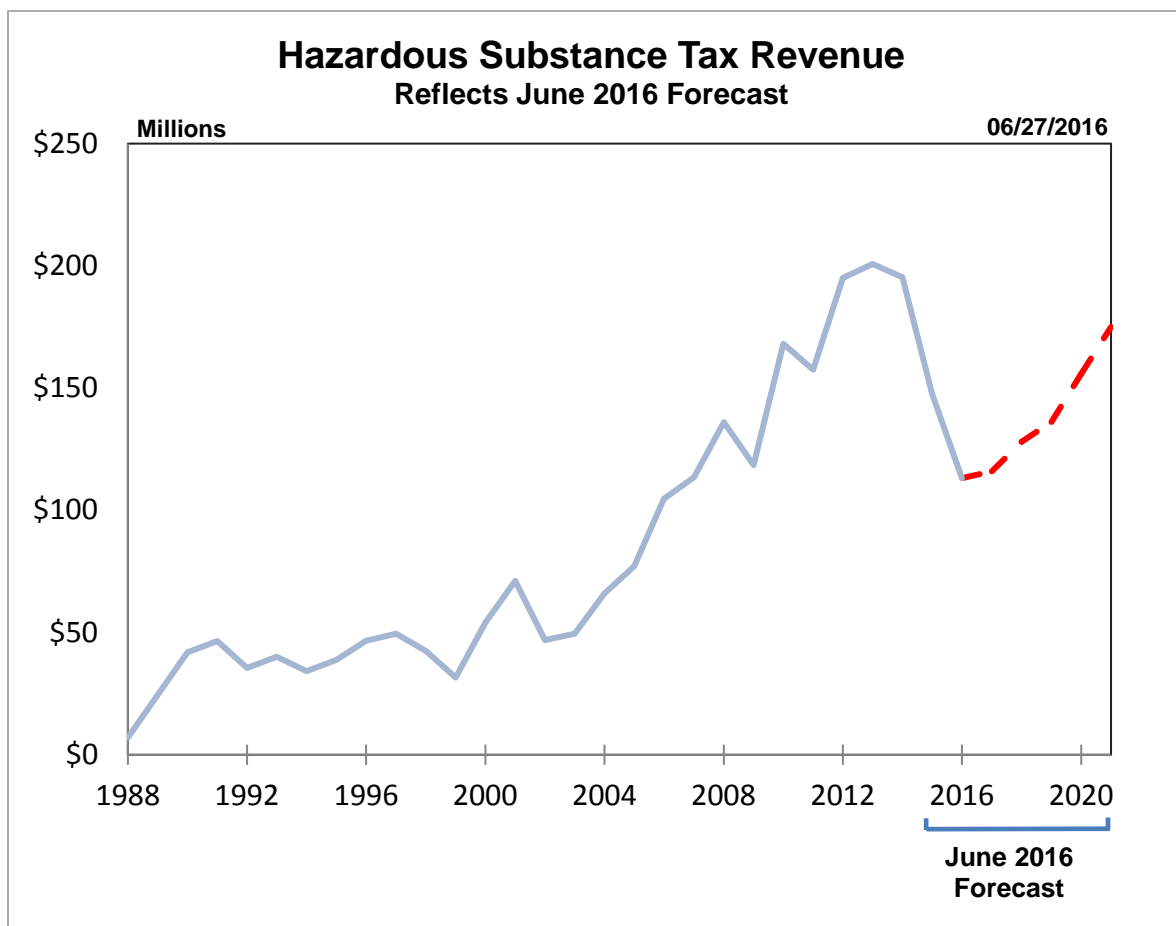


Figure 1: Hazardous Substance Tax revenue (reflects June 2016 forecast)

Sources: *HST GAAP revenue sourced from Agency Financial Reporting System (AFRS).
HST forecast data sourced from Department of Revenue.*

Fiscal Year 2016 reflects actual collections through Fiscal Month 11 (May 2016) and forecast for the remainder of the fiscal year.

Using DOR’s June 2016 forecast, Table 4 identifies the estimated revenue for the three MTCA accounts and working capital reserves for the 2017–19 Biennium.

The working capital reserves are intended to dampen the impact of fluctuations in cash flow. However, the magnitude of the decline in revenue collections and volatility in HST revenue projections required the Legislature to authorize additional actions to help Ecology manage the timing and funding of cleanup projects during the 2015–17 Biennium.

Table 4: Estimated revenue in MTCA accounts

MTCA Account	Estimated Revenue 2017–19 Biennium	Working Capital Reserves 2017–19 Biennium
State Toxics Control Account	\$148 million from HST \$11 million from cost recovery efforts & penalties	\$3.0 million
Local Toxics Control Account	\$116 million from HST	\$1.0 million
Environmental Legacy Stewardship Account	\$0 from HST	\$2.9 million

Source: Washington State Department of Ecology & Department of Revenue (June 2016)⁸

2015–17 Biennium Capital Budget and MTCA Revenue Decline

Since the May 2015 revenue forecast upon which the enacted 2015–17 biennial budget was based, actual and projected revenue for the MTCA accounts has dropped by \$97 million in 2015–17 and \$121 million in 2017–19. This results in a projected revenue shortfall of \$78 million as of August 2016.

Table 5 summarizes projected fund balances in accounts related to MTCA for the 2015–17 and 2017–19 biennia:⁹

Table 5: Estimated fund balances for MTCA-related accounts (Ecology Central Budget Office)

Dollars in thousands	2015-17				2017-19			
	STCA	LTCA	ELSA	TOTAL	STCA	LTCA	ELSA	TOTAL
+Total Resources	\$176,669	\$177,984	\$26,447	\$381,100	\$139,659	\$102,671	\$35,780	\$278,109
+Transfers	(\$14,454)	(\$97,015)	\$111,701	\$232				
+Cleanup Settlement Loan & Payback		\$23,000		\$23,000		(\$8,000)		(\$8,000)
Base Operating Funding, all agencies	\$142,408	\$4,534	\$39,945	\$186,887	\$149,456	\$4,662	\$47,568	\$201,686
Capital Reappropriations	\$24,792	\$103,090	\$127,761	\$255,643	\$192			\$192
Enacted Budget Reapprop. to 2017-19	(\$3,000)	(\$19,339)	(\$34,048)	(\$56,387)	\$3,000	\$19,339	\$34,048	\$56,387
2016 Suppl. Reduce/Restore	(\$6,127)	(\$5,300)	(\$32,145)	(\$43,572)				
New Capital Appropriation, all agencies	\$39,550	\$108,050	\$856	\$148,456				
Enacted Budget Reapprop. to 2017-19	(\$11,869)	(\$52,675)		(\$64,544)	\$11,869	\$52,675		\$64,544
Centennial & Stormwater Bonds First		(\$14,020)		(\$14,020)		\$14,020		\$14,020
2016 Suppl. Reduce/Restore	(\$4,000)	(\$6,800)		(\$10,800)				
-Total Appropriations	\$181,754	\$117,540	\$102,369	\$401,663	\$164,517	\$90,696	\$81,616	\$336,829
-Working Capital Reserve	(\$3,000)	(\$1,000)	(\$2,900)	(\$6,900)	(\$3,000)	(\$1,000)	(\$2,900)	(\$6,900)
ENDING FUND BALANCE	(\$22,539)	(\$14,571)	\$32,880	(\$4,231)	(\$27,858)	\$2,975	(\$48,736)	(\$73,620)
<i>Avg. Statewide Operating Changes</i>					\$3,133	\$100	\$879	\$4,112
Ending Balance w/Avg. Statewide Changes	(\$22,539)	(\$14,571)	\$32,880	(\$4,231)	(\$30,991)	\$2,875	(\$49,615)	(\$77,731)

⁸ Department of Revenue Non-General Fund Tax Sources – Environmental/Habitat Taxes, June 2016 Revenue Forecast

⁹ It reflects the enacted 2016 Supplemental Budget, DOR’s June 2016 HST forecast, and 2017–19 carry forward level.

Inter-MTCA transfers will be used to maintain positive balances for each account in 2015–17, per Section 7038 of the 2015–17 Budget and Ecology’s 2015–17 Biennium MTCA Cash Management Plan (MTCA Plan). The plan is available on Ecology’s website at www.ecy.wa.gov/services/fs/2015_17MTCA_CashMgmtPlanOFMApproved.pdf

The price of crude oil has dropped dramatically in the past 20 months, and so have HST collections and revenues. Ecology is requesting State Building Construction Account (SBCA) appropriations for MTCA projects to help bridge the gap until MTCA revenue recovers.

The primary drivers causing the projected negative MTCA balances include:

- Reduced value of crude oil. Since the summer of 2014, crude oil prices have dropped from a high of \$104 per barrel to below \$30 in January 2016. Since the revenue forecast in February 2014, forecasted revenue for the four-year period has declined by \$380 million—a \$193 million drop for the 2015–17 Biennium, and a \$187 million drop for 2017–19 Biennium. This was an unprecedented decline for the HST, and an enormous overall reduction in capacity for funds the size of MTCA.
- An additional \$240 million in appropriations, above the projected fund balances, were made in the past two enacted biennial budgets. This was done by assuming the spending of appropriated dollars would occur in future biennia (an additional \$119 million was appropriated in 2013–15, and an additional \$121 million was appropriated in 2015–17). These future commitments are now due and significantly reduce available fund balance capacity.
- MTCA appropriations have been expanded in recent biennia to several agencies (increased from five agencies in 2003–05 to ten agencies today).
- Up to \$26 million in loans were provided to MTCA from other dedicated accounts in the enacted budgets, and these repayments will be due in the next two biennia.
- Since the 2007–09 Biennium, \$54 million of work previously funded by General Fund-State (GF-S) has been shifted to MTCA (approximately \$48 million to Ecology, and \$6 million to other agencies).

During the 2009-11 Biennium, the Legislature managed some impacts to the state budget brought on by the Great Recession by transferring MTCA funding to GF-S. There were direct transfers, but the Legislature also preserved investments in cleanup. For toxic site cleanups, SBCA was used to backfill MTCA transfers. This provided funding for existing projects and invested in new toxic site cleanups. Now, the economy is in a growth period – the very time

when toxic site cleanup is affordable and interest in redevelopment is high. Providing SBCA funding will allow important, ready-to-proceed cleanup projects to move forward.

The combination of lower revenues¹⁰ and planned expenditures being carried forward has resulted in Ecology projecting the shortfalls. These shortfalls would have been greater were it not for aggressive cash management strategies employed by Ecology that are described below.

Ecology Actively Managing MTCA Revenue Shortfall

TCP guides cleanup projects through MTCA's regulatory process and requirements, including those projects seeking state capital budget funding. The regulation requires that all cleanup projects proceed through various cleanup phases, from an assessment of human health and environmental risks to the final cleanup remedy (Chapter 173-340 WAC). These phases are explained in more detail in Chapter 3. Depending on the phase, they demonstrate a project's progress and inform readiness to proceed, providing important information as Ecology ranks projects for funding.

The Legislature authorized Ecology in the enacted 2015–17 Capital Budget (2EHB 1115) and the 2016 Supplemental Budget Engrossed Substitute House Bill 2380 (ESHB 2380) to take several steps to respond to projected MTCA revenue shortfalls during the 2015–17 Biennium.

One of these steps was authorization to delay cleanup projects (2EHB 1115, Section 7038). After that budget became law, Ecology and the Office of Financial Management (OFM) used this direction as the foundation for its MTCA 2015–17 Cash Management Plan for the 2015–17 Biennium. The MTCA Plan describes Ecology's use of the authorized options from the Legislature to maintain positive cash balances in the accounts, including delaying several high-priority cleanup projects.

2EHB-1115, Section 7038(3) authorized Ecology to delay the start of cleanup projects based on the following criteria:

- Acuity of need;
- Readiness to proceed;
- Cost efficiency; and
- Need for geographic distribution.

¹⁰ Since the May 2015 revenue forecast upon which the enacted 2015-17 biennial budget was based, actual and projected revenue for the MTCA accounts has dropped by \$97 million in 2015-17 and \$121 million in 2017–19. This has left a projected overall MTCA fund balance for 2017–19 of negative \$78 million as of August 2016.

Ecology worked with local government stakeholders over several months to develop a prioritized list of 2015–17 Biennium cleanup projects. The list outlined the proposed spending plan based upon the best information available to Ecology.

Ecology initially prioritized projects following MTCA’s requirement to address the urgency and effectiveness of cleanup projects. The agency then used Section 7038’s authority to determine the list of delayed projects by:

1. Applying Section 7038 criteria as detailed in the MTCA Plan. Ecology used this authority in the 2015–17 Biennium to guide project priority and followed the same criteria for prioritizing the 2017–19 biennial budget request.
2. Where groups of projects have met all of the same Section 7038 criteria, ranking projects based on Ecology’s regional and program priorities and staff capacity to oversee the cleanup. The recovered economy is delivering a record number of cleanup sites to Ecology to review and act on—from 200-300 per year on average, to 400 in 2015—but there is no MTCA funding to support additional cleanup project oversight. Economic conditions require Ecology to maintain the current work force and find ways to manage work load while continuing existing cleanup priorities.
3. Reviewing current information from grant recipients and Ecology’s regional cleanup managers on the status of projects to further refine prioritization. This includes the construction stage of projects, schedule changes, whether permits are in hand, if projects are ready to bid, if projects leverage partnerships, and if projects have already incurred eligible costs.

Additional actions authorized by the Legislature include:

- Fund transfers between the three MTCA accounts to maintain positive cash balances. Transfers are coordinated between OFM, Ecology, and the State Treasurer.
- Taking loans of up to \$23 million total from the Cleanup Settlement Account (CSA).
- If needed, the Legislature also authorized Ecology to take additional actions to manage available funds, including delaying non-cleanup projects and contracts.

Ecology, in conjunction with OFM, has used the MTCA intra-fund transfer authority to maintain positive cash balances in the three MTCA accounts. Additionally, Ecology has scheduled a transfer into ELSA (from STCA and LTCA) totaling \$23.7 million for January 2017. As the agency continues to monitor cash balances for the remainder of the 2015–17 Biennium and

receive updated HST revenue forecasts, it will review the proposed transfer amounts. Ecology will modify transfers as needed to continue maintaining projected positive closing cash balances in the MTCA accounts.

Ecology and OFM also coordinated with the State Treasurer to initiate two loans from the CSA to the LTCA: \$13 million in January 2016 and \$10 million in June 2017. Loans are repayable (with interest) beginning Fiscal Year 2019.

MTCA Funding Alternatives

Ecology considered several alternatives for funding MTCA projects. One considered alternative was increasing the HST by an inflationary factor. The HST has not been increased since voters approved it in 1988. Another approach for this alternative would be to pass a tax surcharge that turns on when certain revenue conditions are not met. Under Section 6020 of the 2016 Supplemental Capital Budget, OFM is required to provide options to the Legislature by November 1, 2016, that increase the stability and decrease the volatility of revenues to the HST. This would further inform other possible alternatives.

A second alternative would be to swap back some or all of the ongoing GF-S to MTCA fund shifts. During the last several years, the Legislature has moved \$53.8 million in ongoing GF-S operating budget appropriations to the MTCA accounts to address the Great Recession. Swapping these operating expenditures back from MTCA funding to GF-S would free up MTCA revenue.

A third alternative, taking loans from the CSA, has already been used twice, totaling \$23 million in the 2015–17 Biennium. This alternative is not being pursued or recommended for the 2017–19 Biennium, because the provisions require pay-back with interest, and we cannot be sure the borrowing MTCA account would be able to repay the loan obligation. An additional loan could also jeopardize Ecology’s ten-year plan for work intended to be funded by the CSA.

2017–19 Biennium Capital Budget Requests

Ecology currently is projecting the overall MTCA 2017–19 Biennium fund balance to be negative by nearly \$78 million, based on DOR’s June 2016 HST revenue forecast. Because of this deficit, Ecology is requesting State Building Construction Account (SBCA) appropriations—not MTCA account appropriations—to support delayed projects and new cleanup projects in its 2017–19 Biennium budget requests.

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

The Toxics Cleanup Program's goal is to protect Washington's human health and environment by preventing and cleaning up pollution, and supporting sustainable communities and natural resources for the benefit of current and future generations. This report supports that goal by outlining the ten-year financing needs to conduct cleanup actions that can remove the threats of toxic waste and put abandoned or underutilized properties back into use.

Remedial Actions Remove Hazardous Threats

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.

"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 immobilize hazardous substances at contaminated sites, maintain the integrity of completed cleanups, and provide opportunities for habitat restoration, economic development, and public recreation.

Remedial actions have a powerful impact on our health and environment. These tangible steps help remove the threats posed by hazardous sites, such as leaking petroleum storage tanks at abandoned gas stations; tetrachloroethylene from former dry cleaner sites that can impact drinking water and indoor air quality; contaminants leaching into waterways from abandoned mines, smelters, and pesticide manufacturing facilities; or methane leaking from landfills into nearby homes. Hazardous sites can pose serious health risks to a community and block potential development opportunities.

As the examples above illustrate, hazardous waste can travel through many pathways such as air, soil, groundwater, and surface water. Each contaminated site poses a unique level of risk to public health and the environment, and each site can range in size from several square feet to hundreds of square miles. Soil excavation, containment, or *in-situ* (in place) treatment of soil and groundwater are some of the ways contamination can be removed. Long-term monitoring can prevent future hazards.

Unless countered by remedial actions, contaminated sites can continue to pose risks to both human health and the environment. Ecology conducts and oversees cleanups under MTCA to remove those threats, restore fragile habitats, and help communities thrive.

Funding in Context

Over the last 27 years, TCP has identified more than 12,450 sites in Washington that have confirmed or suspected contamination (Figure 2).

- Nearly 6,600 of the 12,450-plus sites (about 53%) have been cleaned up or require no further action.
- Cleanup actions have been conducted at nearly 200 sites (roughly 2%) and these sites are being monitored to ensure the cleanup remedy is working.
- Site owners or the state have begun cleanup actions at more than 3,850 sites (about 31%), although nearly 1,800 of these sites have not reported any activity for more than five years. Project inactivity can often be attributed to a property owner's lack of funding; a change in property ownership; or the number of steps needed to complete the MTCA cleanup process.
- Roughly 1,800 sites (about 15%) still need to begin cleanup actions.

This universe of contaminated sites continues to expand every day. Since 2000, an average of 270 new sites have been reported to Ecology annually, while an average of 195 sites complete their cleanup actions each year. In 2015, a record number of 400 new sites were reported. These new sites are arriving at a time when TCP and Ecology are experiencing resource challenges to provide oversight, technical assistance, and funding to owners of contaminated sites.¹¹

Under MTCA, polluters pay for cleanup. About 79% of contaminated sites in Washington are privately owned and cleanup costs become the owner's responsibility. The remaining 21% are publicly owned sites and become the responsibility of local, state, and federal governments.¹² Several factors contribute to these significant public funding obligations:

1. The volume of publicly owned sites. About 21% of contaminated sites in Washington are publicly owned. About half of these 2,600-plus sites have been cleaned up. Roughly 1,000 sites have cleanup actions underway, and more than 400 sites are waiting to begin. These public sites will need state funding to clean up and remove the threats of contamination.

¹¹ 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 an area-wide or bay-wide cleanup.

¹² Source: Ecology's ISIS database as of June 30, 2016.

2. The number of sites that are privately owned but considered orphaned and abandoned sites, as well as the number of sites with non-compliant owners or emergency cleanup needs.
3. The number of grants provided to local governments, and cleanup oversight conducted by Ecology. Full or partial state funding will also be needed when the state provides remedial action grants and loans to local governments, or provides cleanup oversight. (See Chapters 4 and 5 for more information.)

The *MTCA Ten-Year Financing Report 2016* is an estimate of cleanup costs for projects that may need full or partial funding over the next ten years (Tables 6A, 6B, 7A, 7B, and 8 in Appendix A). Fifty-three of these projects are included in Ecology’s 2017–19 Biennium Capital Budget request to the Governor.

The project lists in Appendix A, however, do not encompass the full immensity of Washington’s cleanup funding needs, nor impending cleanup sites yet to be discovered or reported. New contaminated sites reported to Ecology will require state funding to begin cleanup actions. TCP will continue working closely with communities, tribes, agencies, and the private sector to respond to those needs.

Status of Washington’s Contaminated Sites as of June 30, 2016
All Confirmed and Suspected Contaminated Sites: 12,457

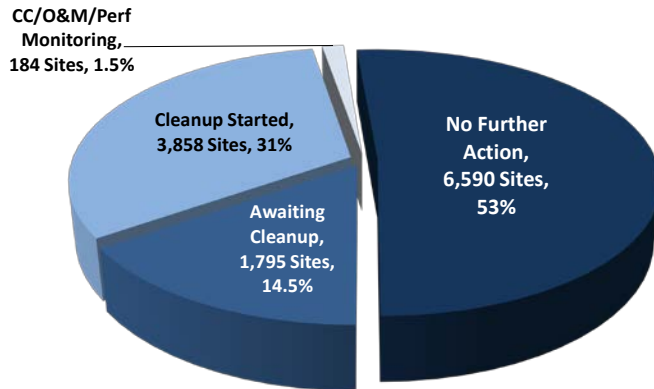


Figure 2: Confirmed and suspected sites in Washington as of June 30, 2016¹³

¹³ Generally, Ecology classifies sites into three main categories (No Further Action, Cleanup Started, and Awaiting Cleanup). Sites in the “CC/O&M/Perf Monitoring” category... *(cont’d. next page)*

Soliciting, Identifying, and Ranking Cleanup Projects for the MTCA Ten-Year Financing Report 2016

Each biennium, Ecology solicits the ten-year project needs from local governments and compiles Ecology's list of state-directed cleanup investments.

Soliciting and Identifying Local Government Cleanup Projects

In 2013, Second Engrossed Substitute Senate Bill 5296 (2ESS 5296) made a number of changes to MTCA. This led Ecology to revise the RAG rule, which took effect on September 29, 2014 (Chapter 173-322A WAC). During the rulemaking process, site selection and prioritization criteria were developed with our stakeholders.

The 2016 solicitation process was Ecology's first attempt to apply the site selection and prioritization criteria included in the revised RAG rule. Jurisdictions that might own contaminated sites were contacted in February 2016, alerting them that they could be responsible for the investigation and cleanup of those sites, and that they might be eligible for funding through the RAG Program to help pay for those costs. The solicitation asked that local governments provide sufficient information to determine project eligibility and funding priority.

Ecology emailed 89 solicitations to local governments with about 70% response rate. Local governments identified 189 sites that need potential funding over the next ten years (see Tables 6A and 6B in Appendix A).

After all responses were collected and analyzed in April 2016, Ecology recognized that its questions and process could improve with better development and explanation. Ecology will continue to refine its communications with local governments and plans to review the process for the 2018 solicitation. For both the 2015–17 and 2017–19 biennia, Ecology used more recent direction provided in the enacted 2015–17 Capital Budget to assign project eligibility and priority as described below.

Identifying State-Directed Cleanup Work

For this report, Ecology also developed a project list and cost estimates for state-directed projects that focus on the Puget Sound Basin, Eastern Washington, and statewide implementation of model remedies to help streamline cleanups.

(cont'd. from previous page)...(Construction Complete/Operation and Maintenance/Performance Monitoring) are often included in "Cleanup Started" but are broken out in pie chart for clarity. As of June 30, 2016, the count of "12,457" also includes federal sites that are tracked by the Environmental Protection Agency and are not included in the pie chart totals.

Ranking Cleanup Projects

To guide prioritization of all projects included in the 2017–19 Capital Budget request to the Governor (including local government RAG and state-directed work), Ecology reviewed each project’s phase of cleanup and applied direction found in the enacted 2015–17 Capital Budget (2EHB 1115, Section 7038). This approach responded to the most recent direction of the Legislature: to focus limited state resources on projects that are acutely needed, ready to proceed, cost efficient, and geographically distributed.

MTCA’s Cleanup Process Informs Project Prioritization

As mentioned in Chapter 2, Ecology’s TCP guides cleanup projects through MTCA’s regulatory process and requirements, including those seeking state capital budget funding. The regulation requires that all cleanup projects proceed through various cleanup phases, from an assessment of human health and environmental risks to the final cleanup remedy (Chapter 173-340 WAC):

- Assessment: Projects are prioritized based on human health and environmental risks. Cleanup projects address risks from contaminated soil, groundwater, drinking water, marine water and sediment, toxic vapors, or a combination of the above.
- Investigate: Remedial investigations define the nature, extent, and magnitude of contamination on all projects.
- Study: Feasibility studies are conducted on projects and include alternative analysis; cost-benefit analysis; long-term or life-cycle cost analysis; and cleanup technology preferences.
- Plan: Information from the remedial investigation and feasibility study are included in a cleanup action plan that describes cleanup standards, methods, monitoring requirements, and schedule – including any time-critical elements.
- Comment: The public is encouraged to review and comment on the projects’ investigations, feasibility studies, and cleanup plans during public comment periods.
- Cleanup: Design, construction, operations, and monitoring of the cleanup. A cleanup is complete when Ecology determines cleanup standards have been met. At this cleanup phase, projects are ready to proceed. Either they are in construction; they have permits or are in the permitting process; their design is complete or underway; or they are under contract.

These phases provide a framework to the cleanup process that state budget writers can translate and compare to more typical “brick and mortar” capital construction projects. OFM and legislative staff use construction benchmarks such as *predesign*, *design*, and *construction* to understand the status of a capital project and to make funding decisions. The phases that cleanup projects proceed through under MTCA demonstrate a cleanup project’s progress and inform rankings such as *readiness to proceed*. An example similar to this would be a building on a university campus that is in the design phase or ready for construction.

Additionally, the enacted 2015–17 Biennial Capital Budget provides direction for managing cash in the MTCA accounts, including authorization to delay the start of cleanup projects based on acuity of need, readiness to proceed, cost-efficiency, or need to ensure geographic distribution. This direction was given to Ecology in 2EHB 1115, Section 7038, which Ecology used in the 2015–17 Biennium and in 2017–19 budget development by:

1. Applying Section 7038 criteria.
2. Where groups of projects met all of the same Section 7038 criteria, ranking projects with consideration of Ecology’s regional and program priorities. Ecology also assessed whether TCP has the staff capacity to oversee the cleanup. The recovered economy is delivering a record number of cleanup sites to TCP to review and act upon: from 200 to 300 new sites reported each year to a record 400 new sites reported in 2015.

In the past when MTCA revenues were stable and growing, Ecology would have responded to this heavy demand for our oversight and cleanup reviews by requesting additional staff in the 2017–19 Biennium. However, the collapse in oil prices over the past two years has put significant pressure on Ecology’s cleanup budget. There is no new revenue to support expansion of TCP’s cleanup work force. The revenue decline has required Ecology to delay cleanup projects and delay hiring staff to oversee them as we manage the MTCA shortfall. Until conditions improve, the benefits of a robust cleanup program to human health, the environment, and our economy will be deferred. We will maintain the work force we have and find ways to manage our workload while adhering to existing cleanup priorities—including prioritizing all cleanup investments.

3. Reviewing current information from grant recipients and Ecology’s regional cleanup managers on the status of projects to further refine prioritization. Cleanup project managers consider, for instance, the construction stage of projects, schedule changes, whether permits are in hand, if projects are ready to bid, and if projects will leverage partnerships.

Financial Stability Key for Successful Cleanups

Local government cleanup projects require financial certainty to ensure successful and timely project completion.

Local governments rely on public funding (i.e., Remedial Action Grants and their grant-match) to complete cleanups. When public funding is unpredictable, it can cause cleanups to be delayed or not considered at all. It also affects local governments' ability to leverage cleanup funding from other sources, including insurance claims and other potentially liable parties. When state financial contributions are certain and stable, they ensure that projects are completed as envisioned and that new projects can be designed.

Recently, however, public funding has become uncertain with declining and volatile MTCA revenues, mandated delays to existing cleanup projects, and budget reductions in the 2015–17 Biennium (see Chapter 2). Since the MTCA accounts are primarily funded from the Hazardous Substance Tax (HST), revenue is highly dependent upon crude oil prices. The significant decline and increased volatility in oil prices over the last couple of years has increased the uncertainty in the level and sustainability of MTCA revenues going forward. As a value-based tax, HST collections are dependent upon current oil prices and overall demand for petroleum products. While the Department of Revenue's projections for HST revenues currently indicate a recovery over the next few years, economic events impacting oil prices and demand may dampen actual HST revenue recovery. Unless alternative funding sources are realized, this short- to medium-term uncertainty in sustainable funding is likely to continue delaying important cleanup efforts over the next biennium or two.

Since funding is dependent on our state's year-to-year or biennium-to-biennium budget decisions, it can generate concern that phased cleanup projects will be stranded or delayed. Local governments are limited by the time they can give each project: they devote time to plan cleanups, knowing that they may lose the opportunity to pursue other projects if they cannot secure funds or if planned funds do not materialize. As a result, some local governments have relayed to TCP managers that they are postponing new cleanup projects in the near future in favor of more certain projects. This heavily impacts the ability to address local government cleanup needs over the next ten years.

The following figures and discussion explain this fiscal demand to move cleanups through active construction. The data also suggests a risk, as construction-ready projects pose unique financing challenges for local governments: there is the potential for local governments (in their role as business clients) to incur financial penalties by breaching contracts with contractors, or to receive higher bids upfront from companies upon which they rely to conduct the cleanup.

Figure 3 (p. 34) shows the expected state share for potential Remedial Action Grant funded cleanups over the next ten years. Figure 4 (p. 35) focuses on the expected phases of activity that potential RAG recipients have planned for their cleanup activities over the same timeframe. Taken together, Figures 3 and 4 illustrate the factors driving the critical need for stabilized cleanup funding.

Figure 3 compares the Remedial Action Grant demand, to Ecology's average Remedial Action Grant appropriations between 2007 and 2017, to the 2017–19 Biennium budget request. The top line of the chart is the estimated and ongoing demand of approximately \$150 million per biennium.

As the figure illustrates, cleanups are increasingly being affected by the shortfall. Local government cleanup needs far exceed the average biennial appropriations of \$72 million supported by the MTCA accounts since the 2007–09 Biennium, and the 2017–19 biennial budget request of \$64.5 million (\$24.6 million in delayed projects and \$39.9 million in new projects).

Figure 4 shows the expected state share of local cleanup needs (based on an assumed funding level of 50% of eligible project costs) for the next ten years grouped by cleanup phase. The lower two lines represent the preliminary phases of a cleanup, *Site/Remedial Investigation* and *Feasibility Study/Cleanup Action Plan Development*. The top line represents the need from projects that local governments have said are in the *Remedial Design, Cleanup Construction, and Post-Closure & Monitoring* phases. The magnitude of this line, as compared to the grouping of other phases, illustrates that most of the need in the ten-year plan is for projects that have entered the construction phases, where early planning is set into specific work schedules, material orders, and contracts with cleanup professionals.

Based on the self-reported local government cost estimates, the construction phases for these large projects can easily extend beyond the planning horizon captured in a given biennium. If local governments, as a group, experience funding shortfalls during this critical construction phase, it could make it more difficult to find high-quality contractors to carry out cleanup projects in the future, or result in unfavorable terms from contractors as a hedge against uncertainty. Businesses that cannot rely on local government funding plans for cleanups might choose to bid on other projects that are not subject to variable financial support, or negotiate for protections that could drive up total cost.

The uncertainty not only impacts the direct participants in the remediation project, but also has the potential to cause issues for indirect participants such as the development corporations, their associated businesses, and local communities that stand to benefit from increased economic activity. It is common for development companies to line up tenants and business partners in advance of the remediation projects being completed. Additional uncertainty in large public

remediation projects makes it harder to contract lessees and makes the projects less attractive for future investment by private co-partners. The uncertainty acts as one more barrier to the effective private-public rehabilitation of publicly owned brownfields areas.

Capital projects require stability. Therefore, as long as MTCA is a principal source of capital cleanup funding, the state must establish a plan to sustain Remedial Action Grants each biennium that provides funding certainty and meaningful project investment. Understanding how instability affects cleanup timing and completion reported by local governments will help all of us decide how best to meet the cleanup demand. The task before us is deciding what level of funding is needed to provide stability.

Establishing a plan for supporting local government cleanups will not solve the larger MTCA budget shortfall now being managed by Ecology, nor will it address the financing needs for state-directed cleanups where the state is leading cleanup work. But financial certainty will directly impact the cleanups being conducted by local governments across our state, and help address the threats of hazardous waste for Washington's seven million residents.

Figure 3: Remedial Action Grant estimated state share ten-year need 2017-27

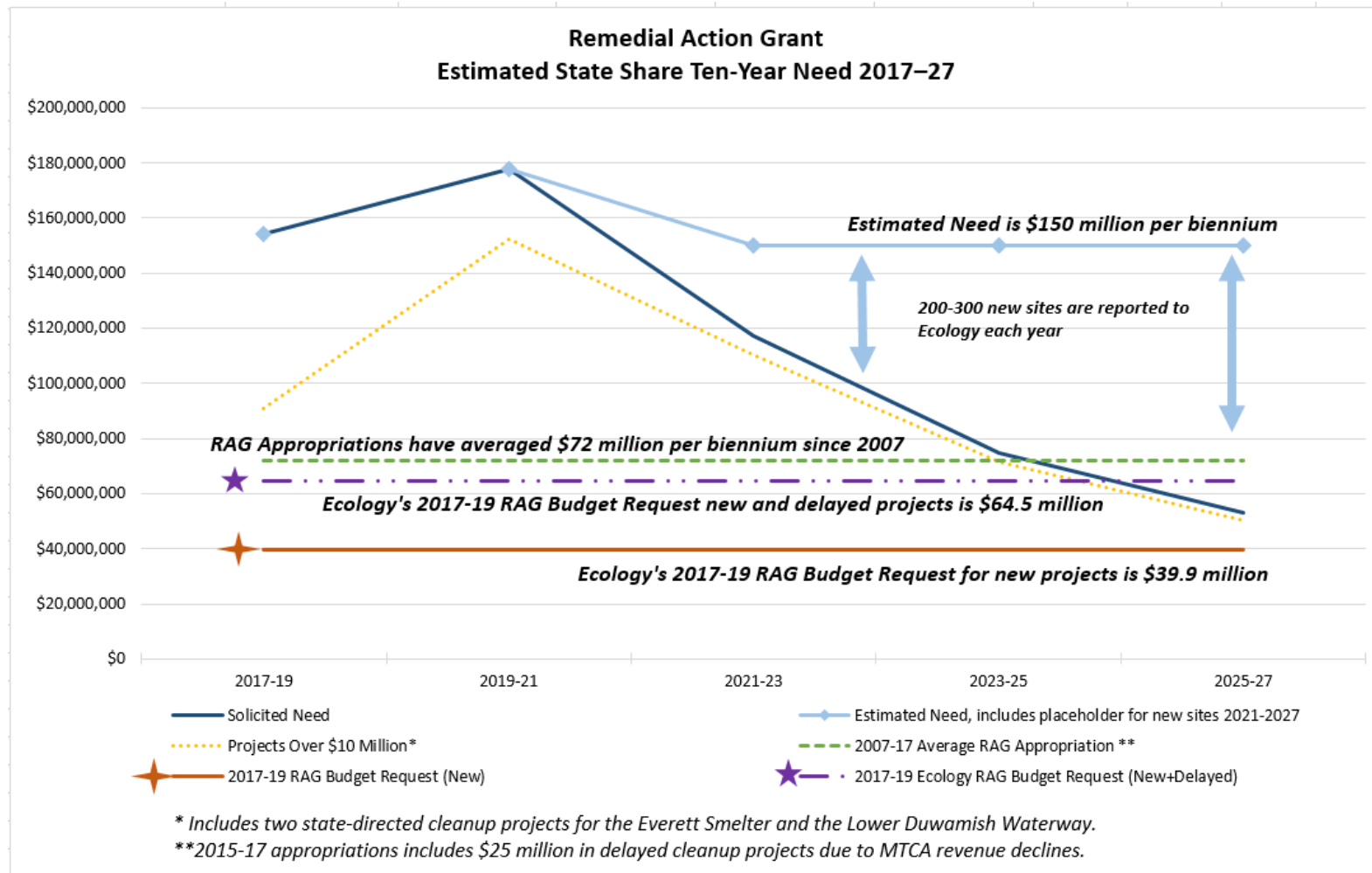


Figure 3 illustrates the solicited/estimated Remedial Action Grant (RAG) financing needs for the next ten years (2017-2027). Projects expecting to exceed \$10 million in costs over the next ten years comprise a substantial proportion of the total need. A few major cleanups (i.e., more than \$50 million in projected cost) encompass 70% of that demand: Whatcom Waterway in Bellingham, Weyerhaeuser Mill A in Everett, Port of Olympia’s Budd Inlet Sediment, Harbor Island East Waterway in Seattle, and the Lower Duwamish Waterway in Seattle.

Figure 4: Remedial Action Grant estimated state share ten-year need by cleanup phase

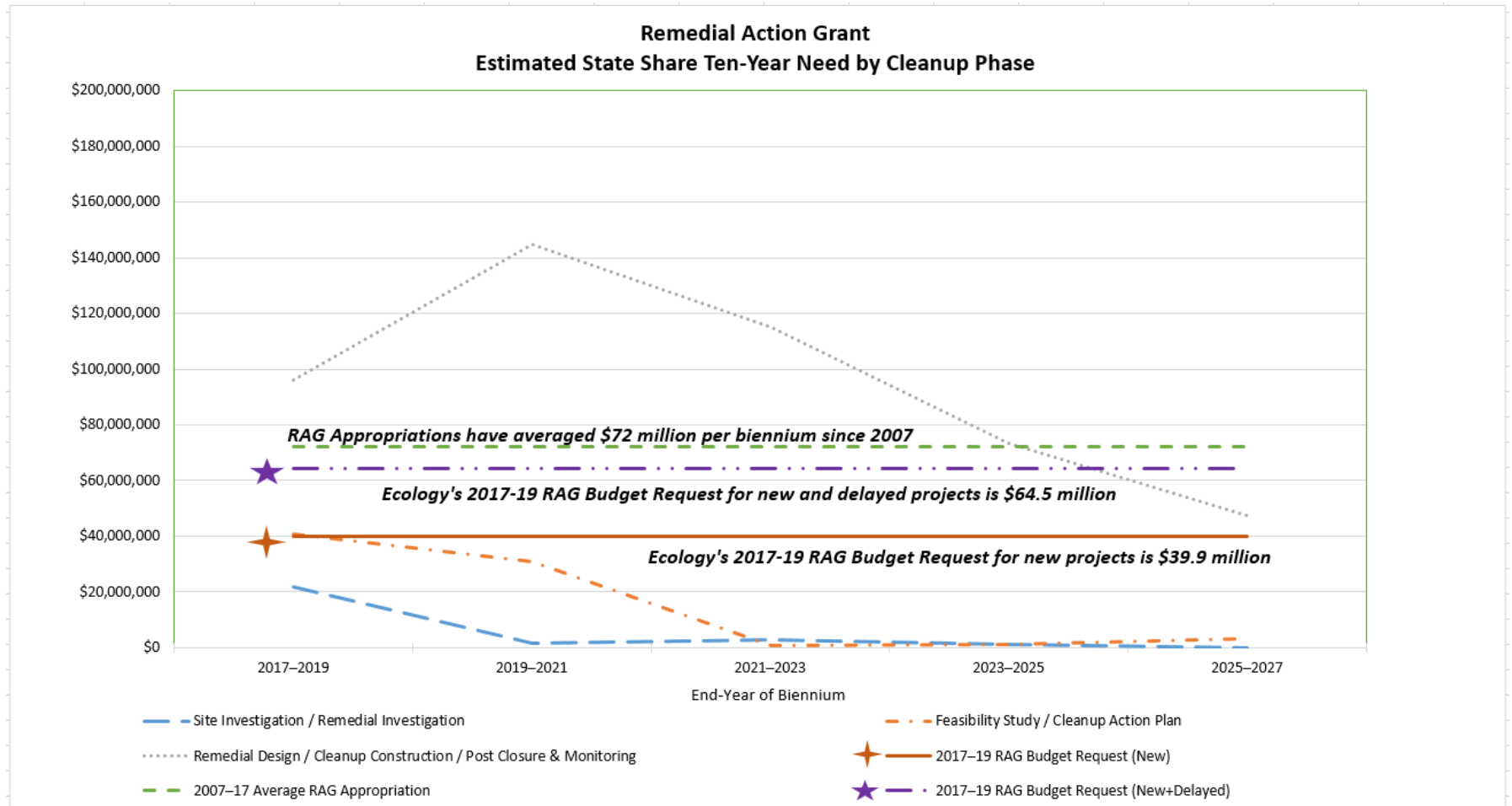


Figure 4 reorganizes the total Remedial Action Grant need (Figure 3’s “Solicited Need” line) by expected project phase. Local governments were asked to identify each project’s expected phase and estimated cost per biennium. The majority of local governments’ needs are for projects that are either entering active construction, or have cleanup construction already taking place. Uncertain financing during these phases can disrupt activities at the site and increase overall costs.

Additional Challenges Impact Rate of Cleanups

Financial uncertainty, the MTCA account shortfall, increasing workload demands, and a continual influx of new sites are only some of the factors impacting the rate of cleanups. Other challenges are:

- 1) The need for 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. Seattle’s Lower Duwamish Waterway is an example of such complexity.

Financing Large Cleanups

Figure 6 and Table 8 (found in Chapter 6 and Appendix A, respectively) identify large projects for MTCA funding that are expected to exceed \$10 million in total estimated project costs. Many of these complex cleanups line our shores and major waterways: the Georgia Pacific and Whatcom Waterway sites along Bellingham Bay; Budd Inlet Sediment site in Olympia; and Harbor Island’s East Waterway in Seattle, among others. Huge cleanup sites are also found across the state: landfills in Yakima, Skagit, and King counties; former lumber mills in Seattle and Everett; and the former Everett Smelter in Snohomish County.

Marine ports with sediment contamination are especially expensive to clean up. They use nearly half of the available Remedial Action Grant program 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. Although this model depends on biennial budget decisions by the Legislature, Ecology will continue to collaborate with local governments to request funding for the highest priority projects from the Legislature each biennium.

Extended Grant Agreements

MTCA amendments in 2013 allowed Ecology to enter into “extended grant agreements” with local governments for multi-biennial projects that cost more than \$20 million. Although Ecology does not have the projected revenue to enter into extended agreements at this time, projects with such agreements would receive the highest funding priority each biennium during the state’s budget process. This priority would provide local governments the highest level of assurance that funds would be available in future biennia as work continues at a site. The assurance would enable local governments to commit to long-term cleanups without the state needing to set aside

large amounts of grant funds upfront. Funds granted under extended grant agreements must be substantially expended or contracts for future work awarded each biennium to maintain this priority (RCW 70.105D.070(4)(a)(i) and (e)(i)).

Brownfields Cleanup and Redevelopment

A “brownfields property” is a previously developed and currently abandoned or underutilized real property, where environmental, economic, or community reuse objectives are hindered by the release (or threatened release) of hazardous substances. Either Ecology has determined the need for remedial action under MTCA, or the Environmental Protection Agency (EPA) has determined action is needed under federal cleanup law.

Although it is a stated goal in the MTCA statute, it can be difficult to coordinate brownfields cleanup and redevelopment decisions with a real estate developer’s rapidly evolving timelines and economics. One way to address this has been Ecology’s Integrated Planning Grants (IPGs): no-match grants awarded through the RAG program that help local governments plan brownfields cleanups and redevelopment before they invest large amounts of money. IPGs help remove a site’s uncertainties by funding groundwork such as environmental site assessments, land use analyses, and market studies.

Two brownfield sites in Aberdeen showcase the type of transformations that IPGs can bring. The City of Aberdeen’s Pakonen Boatyard operated on the tidelands of the Chehalis River from the early 1900s to 2005, resulting in copper, lead, and zinc sediment contamination. The adjacent site is a former Weyerhaeuser sawmill. In 2014, Ecology awarded two coordinated IPGs to fund initial contaminant investigation, redevelopment plans, and future use options at both sites. The City of Aberdeen then leveraged the IPGs to complete site assessments, in partnership with Ecology using a State and Tribal Response Program (STRP) grant from EPA. The data is helping the City make informed decisions about acquiring the property and developing a waterfront park and interpretive center, which is spurring the entire South Waterfront Redevelopment project. The team—a partnership between the City of Aberdeen and Grays Harbor Historical Seaport Authority—is engaging the community and partnering with other organizations to create a vibrant, mixed-use, and working

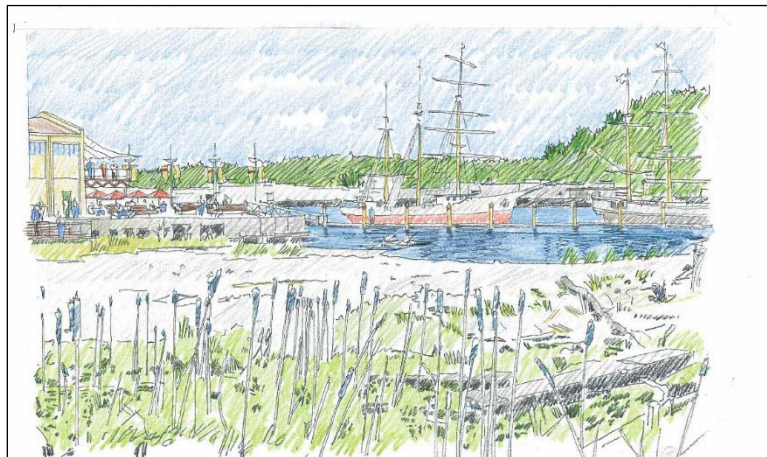


Figure 5: Artist's rendition of Aberdeen’s South Waterfront Redevelopment site, future homeport of the *Lady Washington* and *Hawaiian Chieftain*. Credit: SRG Architects

waterfront for Grays Harbor and the Olympic Peninsula. The site will also serve as the homeport for the *Lady Washington* and *Hawaiian Chieftain* ships and feature public waterfront access and boating facilities.

However, at least nine IPGs are on hold as a result of the recent MTCA revenue shortfall, which impacts local governments awaiting grant funds that can catalyze their redevelopment plans. One example is the City of Spokane, whose IPG will fund redevelopment planning for the Hillyard neighborhood. The Port of Douglas County and City of Richland are two other examples: one to conduct environmental due diligence on a smelter site and develop remediation and economic revitalization strategies; the other to pursue cleanup and redevelopment that protects salmon and restores critical habitat along the Columbia River.

Ecology's Integrated Planning Grants help local governments make cleanup decisions with greater confidence and propel brownfields sites towards redevelopment. The decline in MTCA revenues has heavily impacted Ecology's ability to fund these grants.

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 potentially liable party (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.

Site Complexity Affects Cleanup Speed

A complex site such as the Lower Duwamish Waterway can take several years to clean up after 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) The regulatory process that is used (e.g., "formal cleanups" where Ecology provides oversight, versus "voluntary cleanups," which are conducted by private parties with limited or no Ecology oversight);
- 2) The nature of contaminants; and
- 3) The type of media (such as air, soil or groundwater).

Typically, sites with contaminated surface water, groundwater, or contaminated marine sediments are forecasted to take longer to clean up.

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

With the goals of working efficiently and achieving faster cleanups, TCP has continued to build upon an intensive evaluation that began 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. The identified goals are to:

- 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).

Strong Tools Benefit Staff and Help Speed Rate of Cleanups

Ecology continues to develop tools and policies to help staff as we work to achieve our goal of faster cleanups:

- Model Remedies. Standardized methods to clean up contaminated sites are being developed to help streamline and accelerate the pace of cleanups. As of July 2016, Ecology has developed seven model remedies for sites with petroleum-contaminated soils and twelve for sites with petroleum impacts to groundwater. For more information, visit TCP’s Model Remedies page at: www.ecy.wa.gov/programs/tcp/policies/model-remedies/index.html
- Online workbook and toolkit for Cleanup Project Managers. This collection of reference materials is designed to help TCP Cleanup Project Managers manage sites, promote consistent management of projects, and avoid cleanup delays.
- Tighter document review cycles for faster turnaround. To help 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 cleanup sites. The in-house dashboard helps TCP Cleanup Project Managers more efficiently monitor site deadlines, documents, and data.
- Checklists, boilerplates, and standardized documents for consistency and faster turnaround. Standardized documents take less time for Ecology, local governments, contractors, and other parties to generate and review, and expedite turnaround for all parties.
- General Standards of Work and checklists for key project meetings. Five key project meetings during cleanups help ensure that data analyses are completed as effectively as possible. Standards of work and checklists for those meetings help ensure clear communication with all parties involved in the cleanup process during the *Project Kickoff*, *Remedial Investigation Planning*, *Remedial Investigation Pre-Report Check-In*, *Feasibility Study Planning*, and *Cleanup Action Plan* meetings.
- In-house technical webinar series, training seminars, and interviews with project managers. Cross-program training benefits staff and helps Ecology use limited staffing resources more effectively. Documented interviews can help capture invaluable knowledge held by experienced project managers.
- Updated policies and technical guidance. TCP continues to update many of its cleanup policies and technical guidance documents, including the *Sediment Cleanup Users Manual* (SCUM II); *Voluntary Cleanup Program Staff User Manual* [in-house document]; the cleanup standards tool *Cleanup Levels and Risk Calculations* (CLARC); and guidance for terrestrial ecological evaluations, model remedies, remediation of petroleum-contaminated sites, among others. For more information, visit these TCP websites:
 - Policies & Guidance: www.ecy.wa.gov/programs/tcp/policies/pol_main.html
 - Voluntary Cleanup Program: www.ecy.wa.gov/programs/tcp/vcp/Vcpmain.htm
 - CLARC: <https://fortress.wa.gov/ecy/clarc/CLARCHome.aspx>
 - Publications: www.fortress.wa.gov/ecy/publications/

Chapter 4: Local Government Remedial Action Grant Financing Needs

MTCA accounts fund the Remedial Action Grant program (RAG), which helps local governments conduct cleanup efforts. The Legislature has also used state bonds to fund this work. Tables 6A and 6B (Appendix A) identify the estimated cleanup funding needs for RAG projects over the next ten years.

Partnering with Local Governments to Outline the Need

This section of the report was prepared by working in partnership with local governments that receive MTCA funds. For purposes of this report, “local government” means any political subdivision, regional government unit, district, or municipal or public corporation. This includes cities, towns, counties, ports, and brownfield development authorities

Local governments have a clear perspective of cleanup activities that directly affect their communities. By working with these stakeholders, Ecology learns more about that community’s needs and builds stronger relationships with the invested parties that help conduct remedial actions. Coordinating with local governments on the RAG Program provides Ecology critical insight into timelines, cleanup priorities, cost estimates, and technical issues.

Remedial Action Grant Program

Through Ecology, Washington State 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 continues to take steps that 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 closely with local governments to refine their needs as projects change;
- Making updates to the project list; and
- Publishing the project lists in the MTCA Ten-Year Financing Report.

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)¹⁴

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 does the following:

- 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 requiring that local governments substantially spend funds before receiving a new grant.

¹⁴ 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.

- 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).

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* (commonly referred to as *Site Hazard Assessment Grants* or *SHAs*) are given to local health departments and districts to conduct assessments at sites to confirm the presence, then type and level of contamination at sites, which are then listed on Ecology's Hazardous Sites List. Previously, these grants had also included work to assess and clean up methamphetamine lab sites where hazardous

substances had been released into the environment, but this has been discontinued due to low demand. Today, the grants can also be used by local health departments and districts to conduct lead assessment studies in residential areas.

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

Ranking Projects for RAG Program Funding

Eligible projects included in the 2017–19 budget submittal were ranked depending on their phase of cleanup under the MTCA regulatory process (an indication of a project’s readiness to proceed) and direction in the enacted 2015–17 Capital Budget (2EHB 1115, Section 7038). This approach directly responds to legislative direction focusing limited resources on projects that are acutely needed, ready to proceed, cost efficient, and geographically distributed. The Section 7038 criteria mirror some, but not all, priority criteria described in WAC 173-322A-210.

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):

- (a) The threat posed by the hazardous waste site to human health and the environment;
- (b) Whether the applicant is a prospective purchaser of a brownfield property within a redevelopment opportunity zone;
- (c) The land reuse potential of the hazardous waste site;
- (d) Whether the hazardous waste site is located within a highly impacted community;
- (e) 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;
- (f) The ability of the grant to expedite the cleanup of the hazardous waste site;
- (g) The ability of the grant to leverage other public or private funding for the cleanup and reuse of the hazardous waste site;
- (h) The distribution of grants throughout the state and to various types and sizes of local governments; and
- (i) Other factors as determined and published by the department.

Summary of Estimated Local Government Cleanup Costs

The MTCA accounts fund RAG grants to local governments. Table 6A & 6B (Appendix A) identify projects that include 103 locally owned cleanup sites, 4 statewide grant programs, associated grant management, and placeholders that will have funding needs through the MTCA accounts or other fund sources over the next ten years. The sites represent only a fraction of contaminated sites in Washington that are expected to need MTCA funding in the future.

Ten-Year Funding Estimates for MTCA Account Funding

Ecology estimates that nearly \$1.6 billion will be required to support work at locally owned cleanup sites over the next ten years.

- **Shared responsibility (\$1.6 billion).** Ecology and local governments identified 103 locally owned, cleanup projects for the ten-year period. The agencies estimate that approximately \$1.2 billion will be required to complete this work and conduct associated grant management activities over the next decade. Ecology also anticipates an additional \$410 million (estimated) will be needed to address future needs of locally owned cleanups over the next decade.
- **State's share of locally owned cleanups and four grant programs (\$811 million).** For planning purposes, Ecology estimates that at least \$811 million will be needed to cover the state's share of the aforementioned cleanup costs:
 - **State's share of locally owned cleanups (\$552 million).** Approximately \$552 million will be needed for the 103 locally owned projects. Local agencies will be responsible for the remaining amount of these cleanup costs.
 - **State's share of four statewide grant programs (\$51 million).** Ecology estimates that \$51 million will be required to fund four additional statewide grant programs and associated grant management over the next ten years. The 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% state-funded.
 - **State's share of Remedial Action Grant program administration (\$3.2 million).** Ecology estimates that \$3.2 million will be required to administer the Remedial Action Grant program over the next ten years. At approximately \$640,000 per biennium, this represents less than 1% of the historical funding level of the RAG Program, which has averaged approximately \$72 million per biennium since 2007.

- **State’s share of placeholders for anticipated cleanup needs (\$205 million).** For planning purposes, Ecology estimates about \$205 million will be needed to meet emerging needs over the next ten years for the 200 to 300 newly reported cleanup sites each year.
- **Range of project costs.** Estimated project costs over the next ten years range from \$10,000 for the Georgetown Steam Plant cleanup at King County’s North Boeing Field, to \$123.5 million for Port of Seattle’s Harbor Island East Waterway project. This range illustrates the diversity in size and complexity of cleanups that require MTCA funding and that are being conducted by local governments and TCP. However, this range does not encompass the entire cost estimate of large cleanups such as the Lower Duwamish Waterway, which will include multiple components and a combination of MTCA, federal, and other funds to complete.
- **Other funding opportunities available to local governments (\$71 million).** The last column in Tables 6A and 6B titled “Other Public and Private Money” identifies other funding as reported by local governments. Local governments identified \$71 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.

2017–19 Biennium Budget Request for Local Government RAG Funding

Ecology’s budget request for the 2017–19 Biennium includes approximately \$40 million to cover the state share of cleanup costs for 22 projects: 18 cleanup projects at locally owned sites, 3 additional statewide grant programs, and 1 broad project for associated grant management. See Table 6A & 6B Summary in Appendix A.

The budget request is comprised of:

- Approximately \$34 million for work at 18 of the 103 locally owned sites identified in this plan.
- \$5 million for 3 statewide grant programs (independent remedial action grants, site hazard assessments, and area-wide groundwater).
- \$644,000 for associated grant management.

Chapter 5: State-Directed Work Financing Needs

In addition to supporting sites under the purview of local governments, the MTCA accounts fund remedial actions for:

- 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) Actions to support investigations and cleanup of multiple sites across the state.

Tables 7A and 7B in Appendix A identify 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

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 funded by MTCA accounts include those with non-compliant owners, or sites with emergency needs. Unless these sites are cleaned up, they will continue to pose threats to public health, the environment, groundwater, and fish and wildlife resources.

Ranking State-Directed Projects for MTCA Funding

Using best available information, Ecology developed a project list and cost estimates for 76 known orphaned and abandoned sites that could reasonably undergo remedial actions over the next ten years. This list also includes three statewide activities to investigate, evaluate, and review model remedies.

The projects included in Ecology's 2017–19 Biennium Budget submittal were ranked depending on their phase of cleanup under the MTCA regulatory process (an indication of a project's readiness to proceed) and direction in the enacted 2015–17 Capital Budget (2EHB 1115, Section 7038). This approach directly responds to legislative direction to focus limited resources on projects that are acutely needed, ready to proceed, cost efficient, and geographically distributed. TCP incorporates risk to human health and the environment, land re-use potential, as well as other factors, including:

- 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;
- 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
- Whether or not the project affects a highly impacted community.

New Sites Will Require MTCA Funding in the Future

Ecology expects that new hazardous sites will be reported. As more information about these sites becomes known, they may need to move up in priority for cleanup actions, funding, and staff resources. Since 2000, an average of 270 new contaminated sites are discovered and reported to Ecology each year, with a record 400 sites being added in 2015. The majority of these newly reported sites often begin as voluntarily cleanups. However, some of these sites will need state resources through the MTCA accounts in order to complete cleanup.

Summary of Estimated Cleanup Costs for State-Directed Work

Ecology conducts state-directed cleanups using MTCA accounts for those sites that urgently need action to protect the environment and public. The state-directed tables in Appendix A (Tables 7A-EW, 7A-PSI, and 7A-LTMR) identify 79 state-directed projects (76 sites and 3 statewide model remedy activities) where the state is leading the projects. Information was developed based on a reasonable expectation of the work Ecology could do in ten years with projected funding and staffing resources. Remediation often takes several years, which means Ecology will not be able to complete every site's cleanup actions within a biennium.

Ten-Year Funding Estimates for State-Directed Work

- **State-directed work (\$251 million).** Ecology estimates that a total of \$251 million will be required for 79 state-directed projects over the next ten years. Cleanup costs estimates were based on input from Ecology cleanup project managers. Total project costs over the next ten years will be approximately:
 - \$91 million for 10 sites in the Puget Sound Initiative;
 - \$7 million for 6 sites in the Eastern Washington Initiative;

- \$10 million to support 19 sites and 3 projects through Leaking Tank Model Remedies;
 - \$79 million for 41 sites not included in the 2017–19 budget request; and
 - An estimated \$64 million in placeholders for assumed future need.
- **Placeholders for anticipated cleanup needs (\$64 million).** Ecology estimates that more than half of the 1,800 sites waiting to begin cleanup actions are orphaned and abandoned. The state-directed project lists include funding placeholders of approximately \$64 million over the next ten years for potentially new orphaned and abandoned sites. New cleanup sites are reported to Ecology every year and some will require state-directed cleanup investments.
 - **Range of project costs.** Estimated cleanup costs for state-directed cleanups range from \$30,000 for statistical support at a Willapa Bay site, to \$8 million for Bainbridge Island’s Strawberry Plant where arsenic, lead, and other contaminants have been identified for cleanup. The range illustrates the diversity of size and complexity for cleanups being conducted by TCP, but 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 MTCA, federal, and other funds to complete.

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

2017–19 Biennium Budget Request

Ecology’s budget request for the 2017–19 Biennium includes \$27 million to conduct state-directed work for 38 activities categorized by three components:

- Approximately \$5 million for 6 orphaned and abandoned sites in Eastern Washington through the *Eastern Washington Clean Sites Initiative*.
- Approximately \$20 million for 10 orphaned and abandoned sites in the Puget Sound region through the *Clean Up Toxics Sites-Puget Sound Initiative*.
- Approximately \$2 million for 19 orphaned and abandoned sites and 3 statewide projects designed to support investigation and cleanup for *Leaking Tank Model Remedies*.

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Chapter 6: Large Multi-Biennia Cleanup Project 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. This is important because these cleanups create a tremendous demand on agency resources and impact the state's ability to address other cleanup projects.

Ecology has identified nearly 200 projects that could reasonably undergo remedial actions over the next ten years (Tables 6 and 7 in Appendix A). Included in these lists are 25 large projects that are expected to exceed \$10 million in total estimated project costs (Figure 6 below and Table 8 in Appendix A). As the map and table indicate, two of these complex projects have more than one cleanup happening at the same location (Lower Duwamish Waterway and Harbor Island East Waterway in Seattle). Other major cleanups line our waterways from Port Angeles to the ports of Bellingham, Everett, Seattle, Tacoma, Olympia, and Longview. Large cleanup sites can also be found at landfills, transfer stations, and former lumber mills in Yakima, Bellingham, Seattle, and Skagit County.

- **Shared responsibility for large projects (\$947 million).** Ecology and local governments identified 25 cleanup sites with estimated costs greater than \$10 million. The agencies estimate that approximately \$947 million will be needed for these projects over the next ten years.
- **State's share of large project costs (\$457 million).** Ecology estimates that at least \$457 million will be needed to cover the state share of these cleanup costs. Local agencies will be responsible for the remaining amount.
- **Range of large project costs.** Estimated project costs range from \$11 million for the South Park Landfill and Mount Baker [Dry] Cleaners in King County, to nearly \$193 million for multiple projects related to the Lower Duwamish Waterway Superfund site (LDW) in Seattle. The \$193 million figure includes LDW projects identified by the Port of Seattle, Seattle City Light, Seattle Public Utilities, King County, and Ecology.

The majority of the estimated costs summarized in Table 8 are eligible for Remedial Action Grants. As a result:

- In terms of project numbers, 23 of the 25 large projects represent 22% of the 103 projects identified by Ecology and local governments.

Chapter 6: Large Multi-Biennia Cleanup Projects Financing Needs

- In terms of estimated total cleanup costs, the forecasted needs for these 23 projects represent more than 58% of the RAG needs identified in Tables 6A and 6B.

The 25 projects identified in Figure 6 and Table 8 include many, but not all, of the large multi-biennia cleanup projects in Washington. Not reflected in this table are many more large cleanups that are being conducted by private parties or the federal government, and that do not require significant state or local funding. Such sites include the Asarco cleanup actions in Tacoma, Everett, and Western Washington; cleanup of the upper Columbia River sediments; Hanford Nuclear Reservation; and Holden Mine in Eastern Washington.

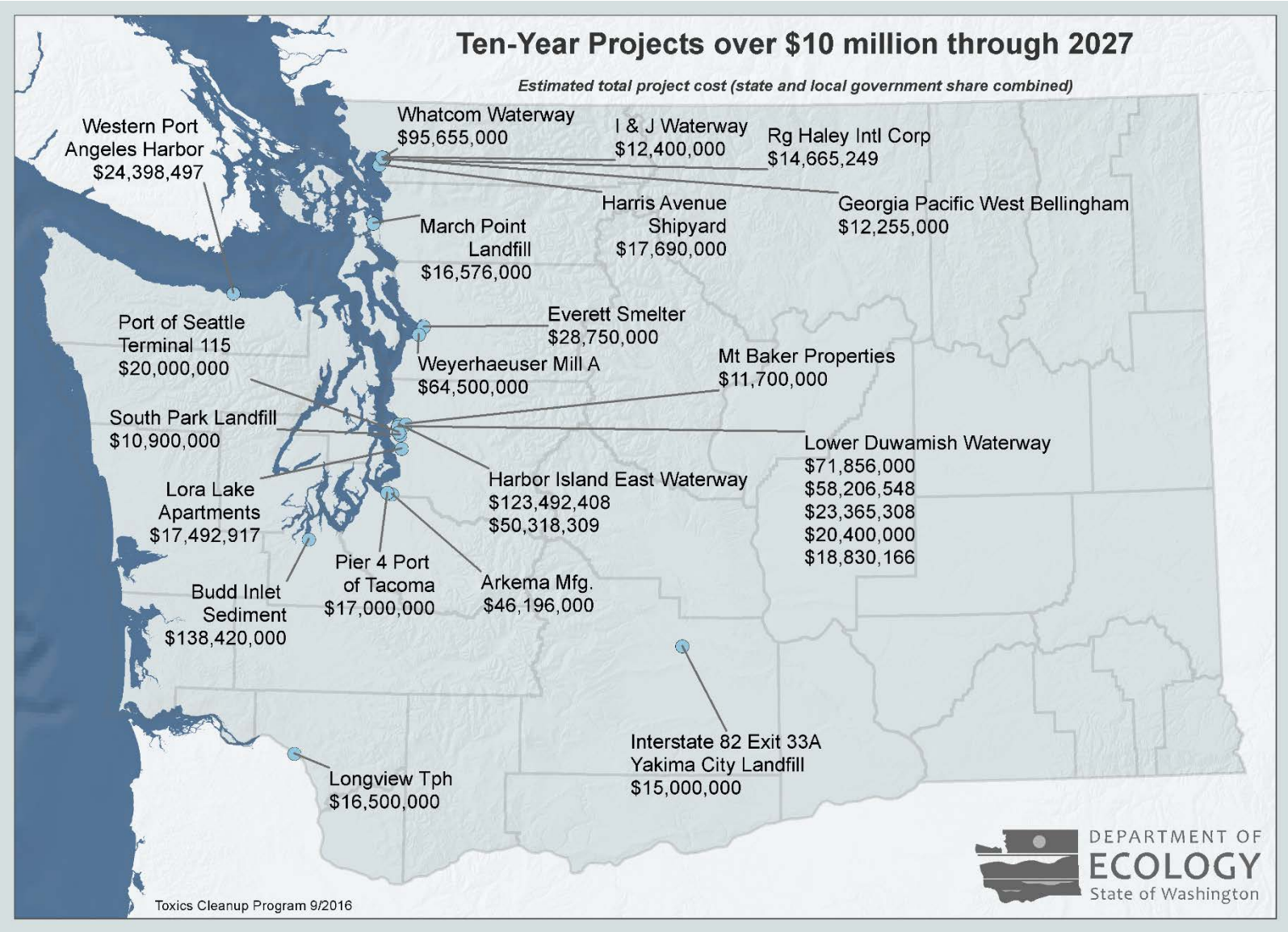


Figure 6: Ten-year projects over \$10 million through 2025-27 Biennium (state and local government share combined)

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Conclusion

Since MTCA was adopted into law 27 years ago, the Department of Ecology has identified more than 12,450 hazardous sites in Washington that have confirmed or suspected contamination. Washington is making substantial progress to clean up and remove the threats posed by these sites. As of June 30, 2016, more than 6,600 sites have been cleaned up and/or determined to require no further action. Cleanup actions have been completed at almost 200 other sites that are being monitored to ensure their remedies are working.

Despite this progress, more cleanups remain and the work continues to expand. More than 5,600 sites still need further investigation and cleanup; roughly 1,800 of these sites have not yet begun preliminary work. On average, 270 new sites are reported to Ecology each year, with a record high of 400 reported in 2015 alone.

The cleanup work outlined in this report requires significant public funding since more than 2,600 of the 12,450-plus sites in Washington (approximately 21%) are publicly owned. Public funding will also be required for privately owned orphaned and abandoned sites, as well as those with non-compliant owners or emergency cleanup needs, to help protect public health and the environment.

To help address the growing number of sites, Ecology is working to accelerate the pace of cleanups. Tools such as model remedies; updated policies and technical guidance; checklists, templates, and boilerplates; online dashboards and workbooks are helping to streamline the cleanup process. The MTCA Ten-Year Financing Report also helps prioritize these cleanup efforts. By ranking projects based on criteria such as readiness to proceed or construction stage, and by identifying the full scope of financing that would be needed to address the remaining sites, this report helps Ecology and local governments plan for future cleanups.

Chapters 4 and 5 outline the cost estimates to conduct these cleanups over the next ten years. Ecology estimates that \$1.8 billion in combined state and local funds will be required to perform investigations and cleanup at contaminated sites in Washington over the next decade. Figures 7 through 10 summarize these funding needs by county and legislative district. It is important to note that the sites and projects identified in this report represent only a fraction of locally owned and/or orphaned and abandoned sites that are expected to need public funding in the future, with many more sites yet to be discovered and reported.¹⁵

¹⁵ Funding estimates in this report do not include Washington's entire statewide cleanup costs, most 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, most privately funded cleanups are performed with review under the Voluntary Cleanup Program, with fees and Ecology's services paid for by private parties. *(continued next page)*

Conclusion

For cleanup projects that fall under local governments' purview, projected state funding needs for the 2017-19 Biennium exceed the amounts likely to be available for Remedial Action Grants. For example, Ecology's 2017-19 Biennium budget request includes \$64.5 million (\$24.6 million in delayed projects and \$39.9 million in new projects) to start or continue the next phase of projects, and begin projects for the state share of the RAG Program. Local governments identified more than \$154.4 million in state share that would be needed during this two year period. The estimate is based on information local governments reported to Ecology at the time of this report. Ecology does not have the resources to review each cost estimate and project schedule submitted by local governments. However, the disparity between the local government self-reported need and state funding resources indicates there will be 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 (across all Ecology cleanup programs) have increased since Ecology's first ten-year financing report was prepared in 2008. In the 2008 report, for instance, Ecology identified \$1.2 billion in cleanup needs which is approximately \$600 million less than the 2016 cost projections. Figure 7 illustrates this trend by comparing the projected ten-year total cleanup costs from Ecology's 2010, 2012, 2014, and 2016 MTCA Ten-Year Financing Reports.

History and experience show that cleanup needs constantly evolve as investigations are completed and new sites are identified. Ecology will continue to refine these cost estimates (for both public and state-directed projects) for the MTCA Ten-Year Financing Reports that are produced every two years, which are companion pieces to Ecology's MTCA Biennial Reports that evaluate STCA, LTCA, and ELSA expenditures during the previous biennium. Ecology will continue to use expenditure information to help update subsequent ten-year forecasts.

The biggest impact to cleanup efforts has been the dramatic drop in crude oil in the past 20 months, and the subsequent decline in Hazardous Substance Tax collections and revenue. Since the May 2015 revenue forecast (upon which the 2015-17 Biennium budget was based) actual and projected revenue for the MTCA accounts has dropped by \$97 million in 2015-17 and \$121 million in 2017-19. This has resulted in a projected revenue shortfall of \$78 million as of August 2016.

Ecology is actively and aggressively managing this revenue shortfall. The direction and authorization provided in 2EHB 1115, Section 7038, built the foundation for the MTCA 2015-17 Cash Management Plan that describes Ecology's use of authorized options. Additional management measures include fund transfers between the three MTCA accounts;

(continued from previous page) Other large, privately funded projects are being conducted pursuant to orders or consent decrees, which do not require public funding and are therefore not identified in this report.

loans up to \$23 million from the Cleanup Settlement Account; delaying cleanup and non-cleanup projects and contracts; and consideration of several MTCA funding alternatives. Based on the shortfall, Ecology is requesting State Building Construction Account appropriations—not MTCA account appropriations—to support delayed projects and new cleanups in its 2017–19 Biennium budget request.

With volatile and declining MTCA revenues, it has become even more critical that stable financing be made available for local government cleanup projects that rely on public funding to be completed. Capital projects require stability. Unpredictable public funding can cause projects to be delayed or removed from consideration entirely, or negatively impact local government’s ability to leverage cleanup funding from other sources. Stable public funding from the state, however, helps ensure that projects are completed as envisioned and new projects can begin. Stable funding not only keeps cleanups moving, it provides the necessary progress that keeps investors interested in redeveloping these sites.

As long as MTCA is a principal source of capital cleanup funding, the state must establish a plan to sustain Remedial Action Grants and state-directed cleanup investments each biennium to provide funding certainty and meaningful project investment. Ecology will continue working with the Governor, the Legislature, local governments, and stakeholders to determine what level of funding is needed to provide stability over the long-term.

Remedial actions yield exceptional benefits for Washington’s seven million residents. They help protect our communities’ health, restore damaged shorelines, create new 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. Cleanup needs will likely always exceed available public funding, but an understanding of the scope of those cleanups—and their beneficial impacts on Washington State—will help ensure public funds are used as effectively as possible.

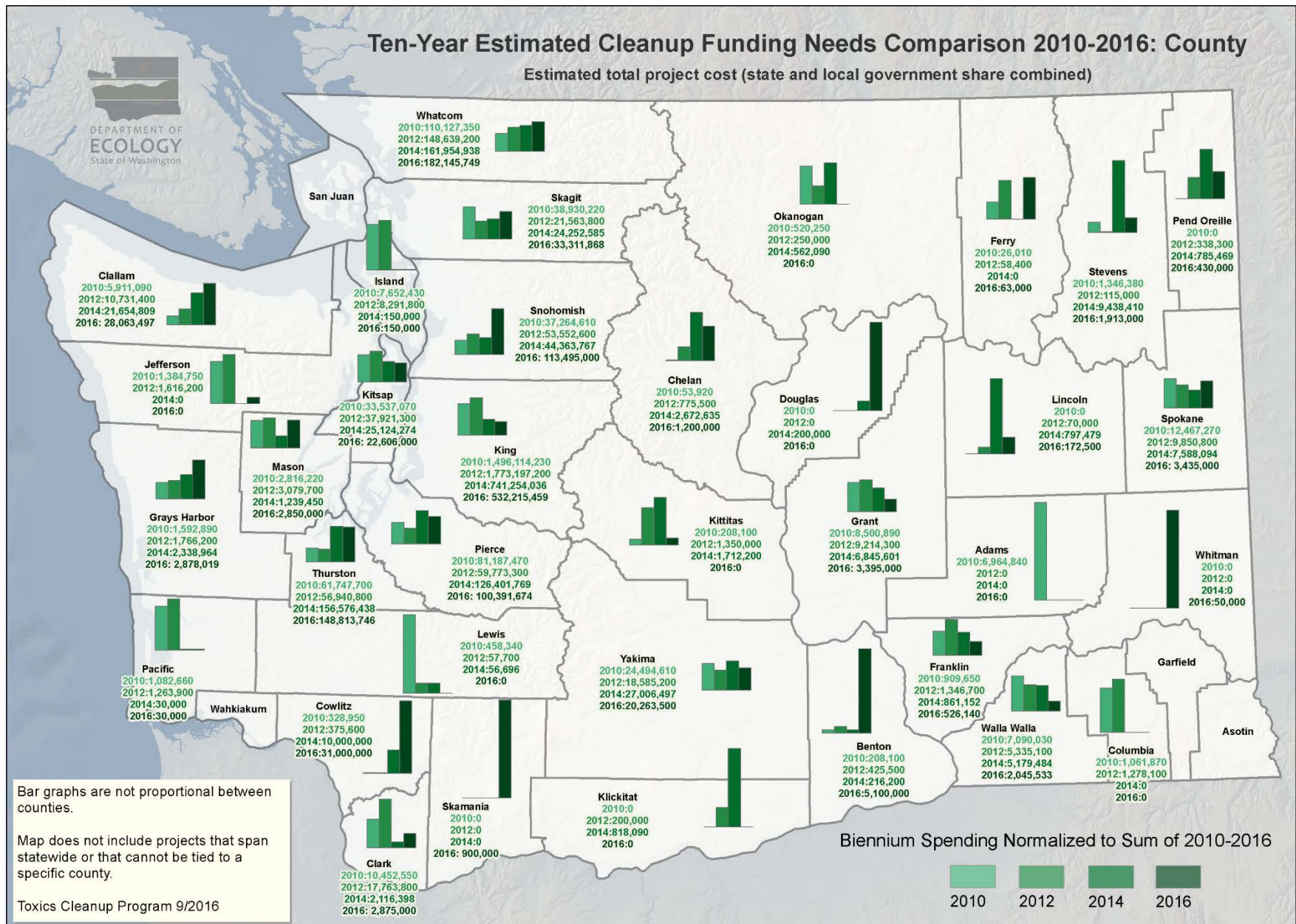


Figure 7: Ten-year estimated cleanup funding needs comparison 2010, 2012, 2014, and 2016: County. Map represents the earliest collection of raw data for this report and may yield discrepancies when compared to the Financing Tables. Refer to Tables 6A and 6B for the most refined site-specific data.

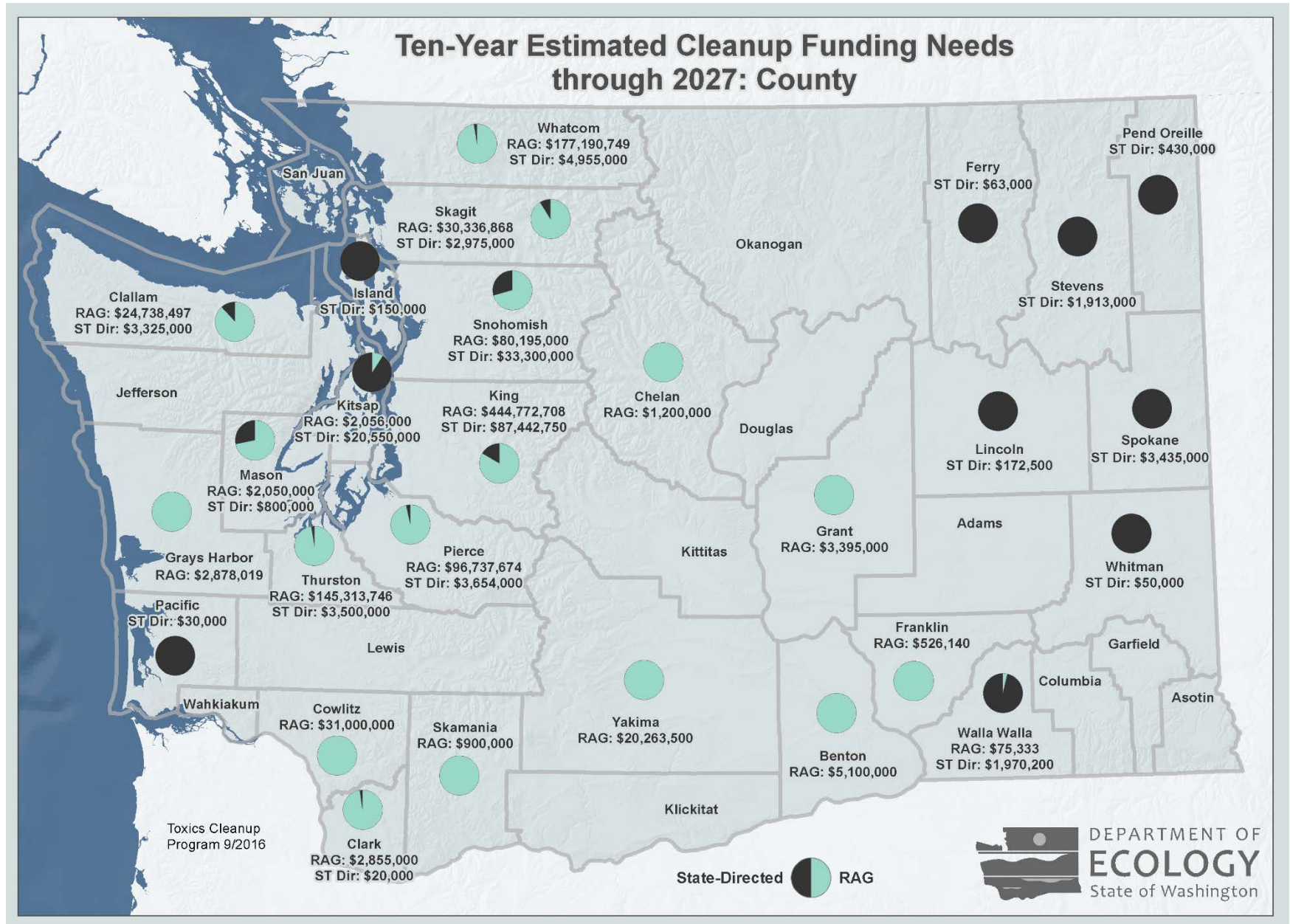


Figure 8: Ten-year estimated cleanup funding needs through 2025-27 Biennium: County



Figure 9: Ten-year estimated cleanup funding needs through 2025-27 Biennium: Legislative District



Figure 10: Ten-year estimated cleanup funding needs through 2025-27 Biennium: Puget Sound Legislative Districts (inset map)

Conclusion

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Appendix A: Financing Tables

SUMMARY OF LOCAL GOVERNMENT FINANCING TABLES						
Table No.	Table Title	Description	No. of projects	How were projects ranked or sorted?	In Ecology's 2017-19 Biennium budget request?	State share of total project costs over ten years (estimated)
6A	2017-19 Remedial Action Grant (RAG) Budget Request	Local governments' financing needs for oversight grants and grant programs for the 2017-19 Biennium.	18 sites + 3 grant programs & associated grant management	Ranked by criteria in 2EHB 1115 Section 7038	Yes = \$40 million	\$142 million
6B	2017-27 Remaining Ten-Year Financing Needs Based on Local Governments' Responses	Remaining local government projects reveal the massive amount of cleanup financing still needed over the next ten years.	85 sites + 2 grant programs	Not ranked. Sorted by region and county then alphabetically by grant recipient.	No	\$464 million
Summary of RAG Ten-Year Financing Needs	Summary of Governor's budget request + Remaining needs	Combined total to conduct and support local government cleanups over the next ten years (2017-2027).	103 sites + 4 grant programs & associated grant management + placeholder for future needs	Not applicable.	See Summary at end of Table 6B	\$811 million

SUMMARY OF FINANCING TABLE FOR \$10M PROJECTS						
Table No.	Table Title	Description	No. of projects	How were projects ranked or sorted?	In Ecology's 2017-19 Biennium budget request?	State share of total project costs over ten years (estimated)
8	2017-27 Projects over \$10M	Projects from local governments and state-directed work (Tables 6A, 6B, 7A & 7B) expected to exceed \$10 million dollars in total project costs over the next ten years (2017-2027).	25 sites	Not ranked in this table. Sorted by city.	Some = \$31 million	\$457 million

SUMMARY OF STATE-DIRECTED WORK FINANCING TABLES						
Table No.	Table Title	Description	No. of projects	How were projects ranked or sorted?	In Ecology's 2017–19 Biennium budget request?	State project costs over ten years (estimated)
7A—EW CSI (Eastern Washington Clean Sites Initiative)	2017–19 Eastern Washington Budget Request	Some of the state-directed cleanup work or projects focusing on Eastern Washington through the <i>Eastern Washington Clean Sites Initiative</i> (EW CSI).	6 sites	Ranked by criteria in 2EHB 1115 Section 7038 .	Yes = \$5 million	\$7 million
7A—PSI (Puget Sound Initiative)	2017–19 Clean Up Toxic Sites—Puget Sound Budget Request	Some of the state-directed cleanup work or projects focusing on the Puget Sound region through the <i>Puget Sound Initiative</i> (PSI).	10 sites	Ranked by criteria in 2EHB 1115 Section 7038 .	Yes = \$20 million	\$91 million
7A—LTMR (Leaking Tank Model Remedies)	2017–19 Leaking Tank Model Remedies Budget Request	Some of the state-directed cleanup work or projects that focus on cleaning up leaking underground storage tanks & developing standardized methods (“model remedies”) to help accelerate the pace of cleanups.	19 sites + 3 model remedies activities	Ranked by criteria in 2EHB 1115 Section 7038 .	Yes = \$2 million	\$10 million
7B—Remaining Need	2017-27 Remaining Ten-Year Financing Needs for Conducting State-Directed Cleanups	Remaining estimated financing needed to conduct & manage state-directed cleanup efforts between 2017 and 2027 for: • PSI cleanups; • EW CSI cleanups; and • LTMR cleanups & management.	41 sites + placeholder for future needs	Not ranked. Sorted by region then city.	No	\$143 million
Summary of State-Directed Financing Needs	Summary of: Governor’s budget request + Remaining needs	Combined total to conduct all state-directed work over next ten years (2017-2027).	76 sites + 3 model remedies activities + placeholder for future needs including emergency removals & cleanups	Not applicable.	See Summary at end of Table 7B.	\$251 million

Table 6A: 2017-19 Remedial Action Grant (RAG) budget request

Local government financing needs for Oversight Grants included in Ecology’s Budget request to the Governor for the 2017—19 Biennium

2017–19 Remedial Action Grant (RAG) Budget Request																
Local government financing needs for Oversight Grants included in Ecology’s Budget Request to the Governor for the 2017–2019 Biennium.																
Rank	Recipient	Site Name	CSID	Region	County	Leg. District	Ecology's 2017–2019 Request	Solicited Local Government Ten-Year Need					Total Local Government Ten-Year Need	State Share	Local Government Share	Other Public and Private Money
								2017–19	2019–21	2021–23	2023–25	2025–27				
3	City of Walla Walla	Sudbury Road Landfill	2485	ERO	Walla Walla	16	\$56,500	\$75,333	\$0	\$0	\$0	\$0	\$75,000	\$37,500	\$37,500	\$0
4	Port of Everett	BAY WOOD PRODUCTS	2581	HQ	Snohomish	38	\$1,550,000	\$3,100,000	\$60,000	\$0	\$0	\$0	\$3,160,000	\$1,580,000	\$1,580,000	\$0
5	City of Wenatchee	Gold Knob Prospects	11610	CRO	Chelan	12	\$900,000	\$1,200,000	\$0	\$0	\$0	\$0	\$1,119,753	\$559,877	\$559,877	\$124,417
6	Grays Harbor Historic Seaport Authority (GHSA)	Weyerhaeuser Sawmill Aberdeen	4987	SWRO	Grays Harbor	19	\$2,070,000	\$2,300,000	\$0	\$0	\$0	\$0	\$2,300,000	\$1,150,000	\$1,150,000	\$0
7	City of Bellingham	RG Haley Intl Corp	3928	NWRO	Whatcom	40	\$6,750,000	\$13,499,999	\$1,165,250	\$0	\$0	\$0	\$14,665,249	\$7,332,625	\$7,332,625	\$0
8	City of Yakima	Interstate 82 Exit 33A Yakima City Landfill	3853	CRO	Yakima	15	\$7,000,000	\$9,333,333	\$5,666,667	\$0	\$0	\$0	\$15,000,000	\$7,500,000	\$7,500,000	\$0
9	Port of Bellingham	Cornwall Avenue Landfill	220	NWRO	Whatcom	40	\$2,200,000	\$4,400,000	\$2,220,000	\$0	\$0	\$0	\$9,005,000	\$4,502,500	\$4,502,500	\$4,502,500
10	Port of Everett	WEYERHAEUSER MILL A	2146	HQ	Snohomish	38	\$1,000,000	\$2,000,000	\$52,500,000	\$10,000,000	\$0	\$0	\$64,500,000	\$32,250,000	\$32,250,000	\$3,000,000
11	Port of Anacortes	Quiet Cove	12482	HQ	Skagit	40	\$1,000,000	\$2,000,000	\$5,276,218	\$60,000	\$30,000	\$0	\$7,366,218	\$3,683,109	\$3,683,109	\$3,683,109
12	Port of Bellingham	I & J Waterway	2012	NWRO	Whatcom	42	\$6,200,000	\$12,400,000	\$0	\$0	\$0	\$0	\$13,375,000	\$6,687,500	\$6,687,500	\$0
13	Port of Bellingham	CENTRAL WATERFRONT	3418	NWRO	Whatcom	42	\$1,100,000	\$2,200,000	\$1,801,000	\$0	\$0	\$0	\$4,965,000	\$2,482,500	\$2,482,500	\$2,482,500
14	City of Bellingham	ELDRIDGE MUNICIPAL LANDFILL	1897	NWRO	Whatcom	42	\$11,000	\$22,000	\$0	\$0	\$0	\$0	\$22,000	\$11,000	\$11,000	\$0
15	Port of Bellingham	Georgia Pacific West Bellingham	2279	NWRO	Whatcom	42	\$400,000	\$800,000	\$11,420,000	\$35,000	\$0	\$0	\$13,455,000	\$6,727,500	\$6,727,500	\$6,835,719
17	City of Ridgefield	Park Laundry Site	4099	SWRO	Clark	18	\$915,000	\$1,220,000	\$275,000	\$0	\$0	\$0	\$1,495,000	\$747,500	\$747,500	\$0
18	City of Port Angeles	WESTERN PORT ANGELES HARBOR	11907	SWRO	Clallam	24	\$1,392,000	\$1,856,000	\$6,488,333	\$7,966,666	\$5,158,332	\$2,929,166	\$14,241,914	\$12,817,723	\$1,424,191	\$1,424,191
19	City of Shelton	SHELTON C STREET LANDFILL	2295	SWRO	Mason	35	\$315,000	\$350,000	\$350,000	\$750,000	\$300,000	\$300,000	\$2,050,000	\$1,025,000	\$1,025,000	\$0
20	Port of Everett	EAST WATERWAY	4297	HQ	Snohomish	38	\$1,000,000	\$2,000,000	\$2,000,000	\$1,500,000	\$750,000	\$250,000	\$6,500,000	\$3,250,000	\$3,250,000	\$6,500,000

Table 6A (cont'd.): 2017-19 Remedial Action Grant (RAG) budget request

Local government financing needs for Oversight Grants included in Ecology's Budget request to the Governor for the 2017—19 Biennium

MTCA Ten-Year Financing Report 2016

Rank	Recipient	Site Name	CSID	Region	County	Leg. District	Ecology's 2017–2019 Request	Solicited Local Government Ten-Year Need					Total Local Government Ten-Year Need	State Share	Local Government Share	Other Public and Private Money
								2017–19	2019–21	2021–23	2023–25	2025–27				
21	Port of Longview	Longview TPH	9152	SWRO	Cowlitz	19	\$375,000	\$500,000	\$600,000	\$5,200,000	\$10,000,000	\$200,000	\$16,500,000	\$8,250,000	\$8,250,000	\$8,250,000
Remedial Action Oversight Grant Subtotals							\$34,234,499	\$59,256,665	\$89,822,468	\$25,511,666	\$16,238,332	\$3,679,166	\$194,508,297	\$113,661,356	\$80,846,941	\$36,802,436

Other Remedial Action Grant Types and Management Activities in Ecology's 2017–2019 Budget Request.

Rank	Grant Type	Region	County	Ecology's 2017–2019 Request	Solicited Local Government Ten-Year Need					Total Local Government Ten-Year Need	State Share	Local Government Share
					2017–19	2019–21	2021–23	2023–25	2025–27			
1	Site Hazard Assessment	Statewide	Statewide	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$10,000,000	\$10,000,000	\$0
2	Grant Management	Statewide	Statewide	\$644,000	\$644,000	\$644,000	\$644,000	\$644,000	\$644,000	\$3,220,000	\$3,220,000	\$0
16	Independent Remedial Action Grants	Statewide	Statewide	\$1,500,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$15,000,000	\$7,500,000	\$7,500,000
22	Area Groundwater	Statewide	Statewide	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$7,500,000	\$7,500,000	\$0
Remedial Action and Grant Management Activities Grand Totals				\$39,878,499	\$66,400,665	\$96,966,468	\$32,655,666	\$23,382,332	\$10,823,166	\$230,228,297	\$141,881,356	\$88,346,941

Table 6B: Remaining ten-year financing needs based on local governments' responses

Local governments' remaining cleanup projects reveal the massive amount of remaining financing still needed over the next ten years.

2017–27 Remaining Ten-Year Financing Needs Based on Local Governments' Responses														
Local governments' remaining cleanup projects reveal the massive amount of remaining financing still needed over the next ten years.														
Recipient	Site Name	CSID	Region	County	Leg. District	Solicited Local Government Ten-Year Need					Total Local Government Ten-Year Need	State Share	Local Government Share	Other Public and Private Money
						2017–19	2019–21	2021–23	2023–25	2025–27				
City of Richland	Horn Rapids Landfill	4891	CRO	Benton	8	\$2,200,000	\$2,600,000	\$200,000	\$100,000	\$0	\$5,100,000	\$2,550,000	\$2,550,000	\$2,550,000
City of Sunnyside	Sunnyside Municipal Airport Pesticide Spray Shed	11423	CRO	Yakima	15	\$395,100	\$210,700	\$16,300	\$9,200	\$9,200	\$640,500	\$320,250	\$320,250	\$0
City of Yakima	Tiger Oil N 1st St Fmr 6013	4922	CRO	Yakima	15	\$150,000	\$1,100,000	\$250,000	\$0	\$0	\$1,500,000	\$750,000	\$750,000	\$0
City of Yakima	Tiger Oil 24th Ave & W Nob Hill	4919	CRO	Yakima	15	\$160,000	\$1,040,000	\$0	\$0	\$0	\$1,200,000	\$600,000	\$600,000	\$0
Yakima County	Yakima County Facilities Services Building 18 East Lincoln Ave.	11890	CRO	Yakima	0	\$40,000	\$45,000	\$407,000	\$14,000	\$14,000	\$520,000	\$260,000	\$260,000	\$0
Yakima County [grant not currently in place]	SNIPES MOUNTAIN LANDFILL	3402	CRO	Yakima	15	\$317,800	\$193,800	\$213,800	\$63,800	\$43,800	\$833,000	\$416,500	\$416,500	\$0
Yakima County [no grant currently awarded]	CASCADE NATURAL GAS	4925	CRO	Yakima	15	\$450,000	\$30,000	\$30,000	\$30,000	\$30,000	\$570,000	\$285,000	\$285,000	\$0
Grant County	GRANT COUNTY EPHRATA LANDFILL 1	1692	ERO	Grant	13	\$935,000	\$780,000	\$630,000	\$525,000	\$525,000	\$3,395,000	\$2,546,250	\$848,750	\$0
Port of Pasco	Pasco Bulk Fuel Terminal Site	1985	ERO	Franklin	16	\$211,640	\$77,700	\$62,900	\$71,780	\$102,120	\$526,140	\$263,070	\$263,070	\$895,860
Port of Anacortes	Anacortes Port Log Yard	3604	HQ	Skagit	40	\$325,000	\$2,710,000	\$0	\$0	\$0	\$3,035,000	\$1,517,500	\$1,517,500	\$1,517,500
Port of Anacortes	Anacortes Port	1678	HQ	Skagit	40	\$68,678	\$46,678	\$46,678	\$0	\$0	\$162,034	\$81,017	\$81,017	\$81,017
Port of Anacortes	Shell Oil Tank Farm	4846	HQ	Skagit	40	\$31,800	\$31,800	\$31,800	\$15,900	\$0	\$111,300	\$55,650	\$55,650	\$55,650
Port of Everett	EVERETT SHIPYARD INC	3655	HQ	Snohomish	38	\$1,410,000	\$0	\$0	\$0	\$0	\$1,410,000	\$705,000	\$705,000	\$0
Port of Everett	North Marina Ameron Hulbert	3546	HQ	Snohomish	38	\$2,150,000	\$75,000	\$0	\$0	\$0	\$2,225,000	\$1,112,500	\$1,112,500	\$770,000

Table 6B (cont'd.): Remaining ten-year financing needs based on local governments' responses

Local governments' remaining cleanup projects reveal the massive amount of remaining financing still needed over the next ten years.

Recipient	Site Name	CSID	Region	County	Leg. District	Solicited Local Government Ten-Year Need					Total Local Government Ten-Year Need	State Share	Local Government Share	Other Public and Private Money
						2017-19	2019-21	2021-23	2023-25	2025-27				
Skagit County Public Works	MARCH POINT LANDFILL	304	HQ	Skagit	40	\$5,938,500	\$6,080,500	\$1,758,000	\$1,792,000	\$1,007,000	\$16,576,000	\$8,288,000	\$8,288,000	\$0
Bremerton SD	Crownhill Elementary School Bremerton SD	4487	NWRO	Kitsap	35	\$128,000	\$164,000	\$128,000	\$146,000	\$125,000	\$691,000	\$345,500	\$345,500	\$0
City of Bellingham	S State Street Manufactured Gas Plant	4606	NWRO	Whatcom	40	\$5,577,500	\$0	\$0	\$0	\$0	\$5,577,500	\$2,788,750	\$2,788,750	\$0
City of Bothell	BOTHELL HERTZ	7906	NWRO	King	1	\$11,500	\$0	\$0	\$0	\$0	\$11,500	\$5,750	\$5,750	\$1,150
City of Bothell	BOTHELL PAINT & DECORATING	3051	NWRO	King	1	\$11,500	\$0	\$0	\$0	\$0	\$11,500	\$5,750	\$5,750	\$1,150
City of Bothell	Bothell Riverside	6240	NWRO	King	1	\$77,000	\$78,250	\$78,000	\$41,000	\$41,000	\$315,250	\$157,625	\$157,625	\$31,525
City of Bothell	Ultra Custom Care Cleaners	3172	NWRO	King	1	\$367,000	\$48,250	\$48,000	\$21,000	\$0	\$484,250	\$242,125	\$242,125	\$48,425
City of Bothell	Bothell Landing	3013	NWRO	King	1	\$19,000	\$0	\$0	\$0	\$0	\$19,000	\$9,500	\$9,500	\$1,900
City of Bothell	Simon & Son Fine Drycleaning	427	NWRO	King	1	\$1,503,000	\$401,000	\$301,000	\$0	\$0	\$2,205,000	\$1,102,500	\$1,102,500	\$220,500
City of Bremerton	CHEVRON TANK FARM PORT WASHINGTON NARROWS	285	NWRO	Kitsap	26	\$0	\$500,000	\$0	\$0	\$0	\$500,000	\$250,000	\$250,000	\$0
City of Everett	Everett Landfill Tire Fire	3862	NWRO	Snohomish	38	\$1,000,000	\$200,000	\$0	\$0	\$0	\$1,200,000	\$600,000	\$600,000	\$0
City of Mukilteo	MUKILTEO DEFENSE FUEL PT	7688	NWRO	Snohomish	21	\$600,000	\$600,000	\$0	\$0	\$0	\$1,200,000	\$600,000	\$600,000	\$250,000
City of SeaTac	Betty Brite Cleaners	12325	NWRO	King	33	\$300,000	\$550,000	\$50,000	\$0	\$0	\$900,000	\$450,000	\$450,000	\$0
King County	Chelan	777712	NWRO	King	34	\$0	\$0	\$1,812,750	\$699,250	\$72,000	\$2,584,000	\$1,292,000	\$1,292,000	\$0

Table 6B (cont'd.): Remaining ten-year financing needs based on local governments' responses

Local governments' remaining cleanup projects reveal the massive amount of remaining financing still needed over the next ten years.

Recipient	Site Name	CSID	Region	County	Leg. District	Solicited Local Government Ten-Year Need					Total Local Government Ten-Year Need	State Share	Local Government Share	Other Public and Private Money
						2017-19	2019-21	2021-23	2023-25	2025-27				
King County	King Street	7777730	NWRO	King	11	\$1,440,718	\$2,753,898	\$132,500	\$0	\$0	\$4,327,116	\$2,163,558	\$2,163,558	\$0
King County	Denny	7777728	NWRO	King	11	\$607,291	\$783,951	\$60,000	\$0	\$0	\$1,451,242	\$731,871	\$719,371	\$0
King County	North Boeing Field Georgetown Steam Plant	4765	NWRO	King	11	\$10,000	\$0	\$0	\$0	\$0	\$10,000	\$5,000	\$5,000	\$0
King County	Harbor Island East Waterway	1372	NWRO	King	11	\$5,616,743	\$78,000	\$0	\$0	\$0	\$5,694,743	\$2,847,372	\$2,847,372	\$0
King County	LOWER DUWAMISH WATERWAY	1643	NWRO	King	34	\$16,839,184	\$1,990,983	\$0	\$0	\$0	\$18,830,167	\$9,415,083	\$9,415,083	\$0
King County	Lake Washington Ship Canal	7777731	NWRO	King	11	\$0	\$0	\$1,200,000	\$2,400,000	\$3,650,000	\$7,250,000	\$3,025,000	\$4,225,000	\$0
King County Parks and Recreation Division	Maury Island Open Space	1532	NWRO	King	34	\$1,000,000	\$740,000	\$290,000	\$20,000	\$0	\$2,050,000	\$1,025,000	\$1,025,000	\$1,025,000
Kitsap County	HANSVILLE LANDFILL	695	NWRO	Kitsap	23	\$169,000	\$169,000	\$179,000	\$169,000	\$179,000	\$865,000	\$432,500	\$432,500	\$865,000
Port of Anacortes	ANACORTES PORT OF DAKOTA CREEK	5174	NWRO	Skagit	40	\$216,000	\$1,656,116	\$154,000	\$154,000	\$0	\$2,180,116	\$1,090,058	\$1,090,058	\$1,090,058
Port of Bellingham	Marine Services NW	1647	NWRO	Whatcom	42	\$195,000	\$210,000	\$1,335,000	\$0	\$0	\$1,740,000	\$870,000	\$870,000	\$0
Port of Bellingham	Harris Avenue Shipyard	193	NWRO	Whatcom	40	\$10,365,000	\$7,325,000	\$0	\$0	\$0	\$17,690,000	\$8,845,000	\$8,845,000	\$0
Port of Bellingham	BLAINE MARINA Inc	63	NWRO	Whatcom	42	\$1,990,000	\$0	\$0	\$0	\$0	\$1,990,000	\$995,000	\$995,000	\$0
Port of Bellingham	WHATCOM WATERWAY	219	NWRO	Whatcom	42	\$3,480,000	\$47,565,000	\$29,920,000	\$14,690,000	\$0	\$95,655,000	\$47,827,500	\$47,827,500	\$5,120,020
Port of Bellingham	Westman Marine Inc	2205	NWRO	Whatcom	42	\$545,000	\$3,000,000	\$0	\$0	\$0	\$3,545,000	\$1,772,500	\$1,772,500	\$77,550

Table 6B (cont'd.): Remaining ten-year financing needs based on local governments' responses

Local governments' remaining cleanup projects reveal the massive amount of remaining financing still needed over the next ten years.

Recipient	Site Name	CSID	Region	County	Leg. District	Solicited Local Government Ten-Year Need					Total Local Government Ten-Year Need	State Share	Local Government Share	Other Public and Private Money
						2017–19	2019–21	2021–23	2023–25	2025–27				
Port of Bellingham	Blaine Sediments	7777713	NWRO	Whatcom	42	\$685,000	\$345,000	\$0	\$0	\$0	\$1,030,000	\$515,000	\$515,000	\$0
Port of Seattle	Port of Seattle Terminal 115	11307	NWRO	King	34	\$3,000,000	\$4,000,000	\$1,500,000	\$1,500,000	\$10,000,000	\$20,000,000	\$10,000,000	\$10,000,000	\$0
Port of Seattle	Lora Lake Apartments	2008	NWRO	King	33	\$15,985,776	\$1,354,741	\$101,600	\$50,800	\$0	\$17,492,917	\$8,746,459	\$8,746,459	\$0
PORT OF SEATTLE	PORT OF SEATTLE TERMINAL 91	2674	NWRO	King	36	\$2,000,000	\$1,500,000	\$1,500,000	\$1,000,000	\$2,500,000	\$8,500,000	\$4,250,000	\$4,250,000	\$0
Port of Seattle	Harbor Island East Waterway	1372	NWRO	King	11	\$4,372,408	\$12,180,000	\$46,180,000	\$40,180,000	\$20,580,000	\$123,492,408	\$61,746,204	\$61,746,204	\$0
Port of Seattle	LOWER DUWAMISH WATERWAY	1643	NWRO	King	34	\$2,618,122	\$8,236,426	\$6,184,000	\$20,584,000	\$20,584,000	\$58,206,548	\$29,103,274	\$29,103,274	\$0
Port of Seattle	Port of Seattle Terminal 30 Former Chevron Agreed Order Site	4394	NWRO	King	11	\$1,560,000	\$1,510,000	\$460,000	\$120,000	\$120,000	\$3,770,000	\$1,885,000	\$1,885,000	\$0
Port of Skagit	Northern State Hospital	10048	NWRO	Skagit	39	\$200,000	\$550,000	\$50,000	\$0	\$0	\$800,000	\$400,000	\$400,000	\$0
Port of Skagit	Skagit County Port Site (Taxiway F Skagit County Regional Airport)	1671	NWRO	Skagit	10	\$54,000	\$27,000	\$0	\$0	\$0	\$81,000	\$40,500	\$40,500	\$0
Seattle City Light	LOWER DUWAMISH WATERWAY	1643	NWRO	King	34	\$995,905	\$2,973,980	\$7,003,397	\$6,733,081	\$5,658,946	\$23,365,309	\$11,682,654	\$11,682,654	\$0
Seattle City Light	Harbor Island East Waterway	1372	NWRO	King	11	\$1,279,663	\$9,147,221	\$13,297,142	\$13,297,142	\$13,297,142	\$50,318,310	\$25,159,155	\$25,159,155	\$0
Seattle City Light	North Boeing Field Georgetown Steam Plant	2050	NWRO	King	11	\$497,449	\$249,000	\$0	\$0	\$0	\$746,449	\$373,225	\$373,225	\$0
Seattle Public Utilites	North Boeing Field Georgetown Steam Plant	4765	NWRO	King	11	\$71,000	\$32,000	\$0	\$0	\$0	\$103,000	\$51,500	\$51,500	\$0
Seattle Public Utilities	LOWER DUWAMISH WATERWAY	1643	NWRO	King	34	\$5,934,000	\$11,418,000	\$19,962,000	\$18,168,000	\$16,374,000	\$71,856,000	\$35,928,000	\$35,928,000	\$0

Table 6B (cont'd.): Remaining ten-year financing needs based on local governments' responses

Local governments' remaining cleanup projects reveal the massive amount of remaining financing still needed over the next ten years.

Recipient	Site Name	CSID	Region	County	Leg. District	Solicited Local Government Ten-Year Need					Total Local Government Ten-Year Need	State Share	Local Government Share	Other Public and Private Money
						2017–19	2019–21	2021–23	2023–25	2025–27				
Seattle Public Utilities	Gas Works Park WA Natural Gas	2876	NWRO	King	43	\$2,167,000	\$7,143,000	\$568,000	\$0	\$0	\$9,878,000	\$4,939,000	\$4,939,000	\$0
Seattle Public Utilities	SOUTH PARK LANDFILL	1324	NWRO	King	11	\$8,300,000	\$2,600,000	\$0	\$0	\$0	\$10,900,000	\$5,450,000	\$5,450,000	\$0
Skagit County	TRUCK CITY TRUCK STOP	5176	NWRO	Skagit	10	\$25,200	\$0	\$0	\$0	\$0	\$25,200	\$22,680	\$2,520	\$0
City of Olympia	WEST OLYMPIA LANDFILL	4807	SWRO	Thurston	22	\$350,000	\$300,000	\$1,250,000	\$100,000	\$0	\$2,000,000	\$1,000,000	\$1,000,000	\$0
City of Olympia	SOLID WOOD INC	4228	SWRO	Thurston	22	\$1,350,000	\$0	\$0	\$0	\$0	\$1,350,000	\$675,000	\$675,000	\$0
City of Ridgefield	Wertz Property	988	SWRO	Clark	18	\$520,000	\$160,000	\$0	\$0	\$0	\$680,000	\$340,000	\$340,000	\$0
City of Tacoma	Tacoma City Materials Laboratory	4222	SWRO	Pierce	29	\$734,500	\$190,000	\$170,000	\$0	\$0	\$1,094,500	\$547,250	\$547,250	\$0
City of Tacoma	TACOMA REDEVELOPMENT PROP, Sites 8 and 9	3677	SWRO	Pierce	27	\$2,143,174	\$0	\$0	\$0	\$0	\$2,143,174	\$1,071,587	\$1,071,587	\$800,000
City of Tumwater	City of Tumwater Old Public Works Shop	3851	SWRO	Thurston	22	\$40,000	\$20,000	\$0	\$0	\$0	\$60,000	\$30,000	\$30,000	\$0
City of Tumwater	Old City Hall Tumwater	11363	SWRO	Thurston	22	\$25,000	\$25,000	\$0	\$0	\$0	\$50,000	\$25,000	\$25,000	\$0
Grays Harbor Historical Seaport Authority (GHHSA)	PAKONEN BOATYARD	2803	SWRO	Grays Harbor	19	\$578,019	\$0	\$0	\$0	\$0	\$578,019	\$289,010	\$289,010	\$0
Port of Longview	Berth 4 Upland Area	777732	SWRO	Cowlitz	19	\$500,000	\$600,000	\$5,200,000	\$3,200,000	\$0	\$9,500,000	\$4,750,000	\$4,750,000	\$4,700,000
Port of Longview	MFA/TWP Maintenance Facility Area/Treated Wood Products - Port of Longview	3685	SWRO	Cowlitz	19	\$600,000	\$4,400,000	\$0	\$0	\$0	\$5,000,000	\$2,500,000	\$2,500,000	\$3,400,000
Port of Olympia	BUDD INLET SEDIMENT	2245	SWRO	Thurston	22	\$28,900,000	\$51,570,000	\$57,850,000	\$100,000	\$0	\$138,420,000	\$69,210,000	\$69,210,000	\$6,840,000

Table 6B (cont'd.): Remaining ten-year financing needs based on local governments' responses

Local governments' remaining cleanup projects reveal the massive amount of remaining financing still needed over the next ten years.

Recipient	Site Name	CSID	Region	County	Leg. District	Solicited Local Government Ten-Year Need					Total Local Government Ten-Year Need	State Share	Local Government Share	Other Public and Private Money
						2017–19	2019–21	2021–23	2023–25	2025–27				
Port of Olympia	EAST BAY REDEVELOPMENT	407	SWRO	Thurston	22	\$2,120,000	\$500,000	\$500,000	\$0	\$0	\$3,120,000	\$1,560,000	\$1,560,000	\$0
Port of Olympia	CASCADE POLE INC MCFARLAND	723	SWRO	Thurston	22	\$313,746	\$0	\$0	\$0	\$0	\$313,746	\$156,873	\$156,873	\$0
Port of Port Angeles	K Ply	28	SWRO	Clallam	24	\$150,000	\$70,000	\$55,000	\$30,000	\$35,000	\$340,000	\$170,000	\$170,000	\$0
Port of Tacoma	Kaiser	2215	SWRO	Pierce	27	\$4,600,000	\$0	\$0	\$0	\$0	\$4,600,000	\$2,300,000	\$2,300,000	\$0
Port of Tacoma	Tacoma Port Earley Business Center	2395	SWRO	Pierce	27	\$5,810,000	\$0	\$0	\$0	\$0	\$5,810,000	\$2,905,000	\$2,905,000	\$4,000,000
Port of Tacoma	ARKEMA MFG.	3405	SWRO	Pierce	27	\$3,796,000	\$42,400,000	\$0	\$0	\$0	\$46,196,000	\$23,098,000	\$23,098,000	\$0
Port of Tacoma	TAYLOR WAY & ALEXANDER AVE FILL AREA (Prologis)	4692	SWRO	Pierce	27	\$150,000	\$0	\$0	\$0	\$0	\$150,000	\$75,000	\$75,000	\$0
PORT OF TACOMA	PQ Corporation	11532	SWRO	Pierce	27	\$2,256,000	\$0	\$0	\$0	\$0	\$2,256,000	\$1,128,000	\$1,128,000	\$0
Port of Tacoma	Tacoma DPU Steam Plant 2	12439	SWRO	Pierce	27	\$763,000	\$0	\$0	\$0	\$0	\$763,000	\$381,500	\$381,500	\$0
Port of Tacoma	Portac Inc Tacoma	3642	SWRO	Pierce	27	\$1,000,000	\$4,500,000	\$0	\$0	\$0	\$5,500,000	\$2,750,000	\$2,750,000	\$0
Port of Tacoma	Pier 4 Port of Tacoma	12597	SWRO	Pierce	27	\$17,000,000	\$0	\$0	\$0	\$0	\$17,000,000	\$8,500,000	\$8,500,000	\$0
Port of Tacoma	ATOFINA CHEM 3009 TAYLOR WAY LOG YARD (Arkema Mound)	3635	SWRO	Pierce	27	\$5,800,000	\$0	\$0	\$0	\$0	\$5,800,000	\$2,900,000	\$2,900,000	\$0
Port of Tacoma	Alexander Avenue Petroleum Tank Facilities	743	SWRO	Pierce	27	\$5,425,000	\$0	\$0	\$0	\$0	\$5,425,000	\$2,712,500	\$2,712,500	\$0
Ridgefield School District	Bus Barn	777727	SWRO	Clark	18	\$520,000	\$160,000	\$0	\$0	\$0	\$680,000	\$340,000	\$340,000	\$0

Table 6B (cont'd.): Remaining ten-year financing needs based on local governments' responses

Local governments' remaining cleanup projects reveal the massive amount of remaining financing still needed over the next ten years.

Recipient	Site Name	CSID	Region	County	Leg. District	Solicited Local Government Ten-Year Need					Total Local Government Ten-Year Need	State Share	Local Government Share	Other Public and Private Money
						2017-19	2019-21	2021-23	2023-25	2025-27				
Skamania County	Former Hegewald Veneer Plant	7777724	SWRO	Skamania	14	\$900,000	\$0	\$0	\$0	\$0	\$900,000	\$450,000	\$450,000	\$0
Remedial Action Oversight Grant Subtotals						\$202,941,916	\$251,995,994	\$201,165,867	\$126,024,953	\$94,947,208	\$877,075,937	\$438,769,176	\$438,306,761	\$34,342,305

2017-27 Other Remedial Action Grant Types Ten-Year Financing Needs Based on Local Responses.

Grant Type	Region	County	Estimated Local Government Ten-Year Need					Total Local Government Ten-Year Need	State Share	Local Government Share
			2017-19	2019-21	2021-23	2023-25	2025-27			
Independent Remedial Action Grants	Statewide	Statewide	\$37,664,887	\$4,751,250	\$854,250	\$0	\$0	\$43,270,387	\$21,635,194	\$21,635,194
Integrated Planning Grants	Statewide	Statewide	\$1,735,000	\$2,000,000	\$130,000	\$80,000	\$40,000	\$3,985,000	\$3,985,000	\$0
Other Remedial Action and Grant Management Activities Subtotals			\$39,399,887	\$6,751,250	\$984,250	\$80,000	\$40,000	\$47,255,387	\$25,620,194	\$21,635,194

Subtotal of Remedial Action Oversight Grants Not Included in Current Request	\$242,341,803	\$258,747,244	\$202,150,117	\$126,104,953	\$94,987,208	\$924,331,325	\$464,389,370	\$459,941,955
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Placeholder—Future RAG Ten-Year Financing Needs

	Estimated Local Government Ten-Year Need					Total Ten-Year Need	State Share	Local Government Share
	2017-19	2019-21	2021-23	2023-25	2025-27			
Placeholder—Future RAG Subtotal	\$0	\$0	\$65,194,217	\$150,512,715	\$194,189,626	\$409,896,558	\$204,948,279	\$204,948,279

Summary of RAG Ten-Year Financing Needs

	Ecology's 2017-2019 Request	Estimated Local Government Ten-Year Need					Total Local Government Ten-Year Need	State Share	Local Government Share
		2017-19	2019-21	2021-23	2023-25	2025-27			
Total Remedial Action Grant Ten-Year Financing Need	\$39,878,499	\$308,742,468	\$355,713,712	\$300,000,000	\$300,000,000	\$300,000,000	\$1,564,456,180	\$811,219,005	\$753,237,175

Table 7A-EW CSI: State-directed budget request for Eastern Washington Clean Sites Initiative:
Included in Ecology's budget request to the Governor for the 2017-19 Biennium.

2017–19 State-Directed Budget Request

Eastern Washington Clean Sites Initiative Included in Ecology's Budget Request to the Governor for the 2017–2019 Biennium.

Rank	Recipient	Site Name	CSID	Region	County	Leg. District	Ecology's 2017–2019 Request	State-Directed Ten-Year Need					Total Ten-Year Need
								2017–19	2019–21	2021–23	2023–25	2025–27	
1	IONE	AIRPORT KWIK STOP	4203	ERO	Pend Oreille	7	\$275,000	\$275,000	\$75,000	\$50,000	\$30,000	\$0	\$430,000
2	COLVILLE	COLVILLE POST & POLES	46	ERO	Stevens	7	\$1,100,000	\$1,100,000	\$150,000	\$100,000	\$100,000	\$100,000	\$1,550,000
3	WALLA WALLA	Schwerin Concaves Walla Walla	3956	ERO	Walla Walla	16	\$365,200	\$365,200	\$20,000	\$20,000	\$20,000	\$20,000	\$445,200
4	MARSHALL	MARSHALL LANDFILL	1022	ERO	Spokane	6	\$2,860,000	\$2,860,000	\$300,000	\$100,000	\$50,000	\$50,000	\$3,360,000
5	DAVENPORT	Priceless Gas	5945	ERO	Lincoln	13	\$82,500	\$82,500	\$30,000	\$30,000	\$30,000	\$0	\$172,500
6	WALLA WALLA	Stubblefield Salvage Yard	4121	ERO	Walla Walla	16	\$550,000	\$550,000	\$500,000	\$200,000	\$100,000	\$100,000	\$1,450,000
Eastern Washington Clean Sites Initiative Subtotals							\$5,232,700	\$5,232,700	\$1,075,000	\$500,000	\$330,000	\$270,000	\$7,407,700

Table 7A-PSI: State-directed budget request for Clean Up Toxic Sites—Puget Sound:
 Included in Ecology's budget request to the Governor for the 2017-19 Biennium.

Clean Up Toxic Sites—Puget Sound Included in Ecology's Budget Request to the Governor for the 2017–2019 Biennium.													
Rank	Recipient	Site Name	CSID	Region	County	Leg. District	Ecology's 2017–2019 Request	State-Directed Ten-Year Need					Total Ten-Year Need
								2017–19	2019–21	2021–23	2023–25	2025–27	
1	Puget Sound	EPA O & M	7777733	PS	Puget Sound	00	\$2,365,700	\$2,365,700	\$2,367,700	\$2,370,700	\$607,000	\$610,000	\$8,321,100
2	SEATTLE	LOWER DUWAMISH WATERWAY	1643	NWRO	King	34	\$4,400,000	\$4,400,000	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$20,400,000
3	LAKEWOOD	LAKEWOOD PONDERS CORNER	735	SWRO	Pierce	29	\$1,800,000	\$1,800,000	\$20,000	\$20,000	\$20,000	\$20,000	\$1,880,000
4	TACOMA	Pacific Functional Fluids LLC Tacoma (Lilyblad)	4329	SWRO	Pierce	27	\$382,000	\$382,000	\$132,000	\$0	\$0	\$0	\$514,000
5	SEATTLE	CIRCLE K Sta 1461	5089	NWRO	King	43	\$3,300,000	\$3,300,000	\$3,000,000	\$500,000	\$500,000	\$250,000	\$7,550,000
6	SEATTLE	LOWER DUWAMISH WATERWAY	1643	NWRO	King	34	\$3,300,000	\$3,300,000	\$3,000,000	\$3,000,000	\$0	\$0	\$9,300,000
7	EVERETT	Everett Smelter	4298	NWRO	Snohomish	38	\$2,750,000	\$2,750,000	\$8,000,000	\$6,000,000	\$6,000,000	\$6,000,000	\$28,750,000
8	OLYMPIA	BUDD INLET SEDIMENT	2245	SWRO	Thurston	22	\$550,000	\$550,000	\$400,000	\$0	\$0	\$0	\$950,000
9	Puget Sound	Required Puget Sound Public Involvement/Tribal Engagement	7777734	STATE	Puget Sound	00	\$192,500	\$192,500	\$250,000	\$250,000	\$250,000	\$250,000	\$1,192,500
10	SEATTLE	Mt Baker Properties	13054	NWRO	King	37	\$1,100,000	\$1,100,000	\$6,200,000	\$3,300,000	\$1,100,000	\$0	\$11,700,000
Clean Up Toxic Sites—Puget Sound Subtotals							\$20,140,200	\$20,140,200	\$27,369,700	\$19,440,700	\$12,477,000	\$11,130,000	\$90,557,600

Table 7A-LTMR: State-directed budget request for Leaking Tank Model Remedies:
Included in Ecology's budget request to the Governor for the 2017-19 Biennium.

Leaking Tank Model Remedies Included in Ecology's Budget Request to the Governor for the 2017–2019 Biennium.													
Rank	Recipient	Site Name	CSID	Region	County	Leg. District	Ecology's 2017–2019 Request	State-Directed Ten-Year Need					Total Ten-Year Need
								2017–19	2019–21	2021–23	2023–25	2025–27	
1	BUCKLEY	DSHS RAINIER SCHOOL	9766	SWRO	Pierce	31	\$20,000	\$20,000	\$0	\$0	\$0	\$0	\$20,000
2	ENDICOTT	ENDICOTT STANDARD OIL	8825	ERO	Whitman	9	\$50,000	\$50,000	\$0	\$0	\$0	\$0	\$50,000
3	BREMERTON	Newmans Chevron	5252	NWRO	Kitsap	26	\$100,000	\$100,000	\$0	\$0	\$0	\$0	\$100,000
4	REPUBLIC	LINDSEY TEXACO	10149	ERO	Ferry	7	\$63,000	\$63,000	\$0	\$0	\$0	\$0	\$63,000
5	SEATTLE	Chevron 90129	10632	NWRO	King	43	\$50,000	\$50,000	\$0	\$0	\$0	\$0	\$50,000
6	PORT ANGELES	RJ HOPKINS LOGGING	11222	SWRO	Clallam	24	\$20,000	\$20,000	\$0	\$0	\$0	\$0	\$20,000
7	LYNNWOOD	Texaco Strickland	12541	NWRO	Snohomish	32	\$50,000	\$50,000	\$0	\$0	\$0	\$0	\$50,000
8	PORT ANGELES	FRANK MCPHEE	8416	SWRO	Clallam	24	\$20,000	\$20,000	\$0	\$0	\$0	\$0	\$20,000
9	MEDICAL LAKE	AJR LLC	11192	ERO	Spokane	6	\$75,000	\$75,000	\$0	\$0	\$0	\$0	\$75,000
10	VANCOUVER	HANSEN DRILLING CO INC	10502	SWRO	Clark	49	\$20,000	\$20,000	\$0	\$0	\$0	\$0	\$20,000
11	NINE MILE FALLS	WILLOW BAY RESORT INC	10970	ERO	Stevens	7	\$63,000	\$63,000	\$0	\$0	\$0	\$0	\$63,000
12	SEDRO-WOOLLEY	Chevron 97502	6368	NWRO	Skagit	39	\$50,000	\$50,000	\$0	\$0	\$0	\$0	\$50,000
13	WALLA WALLA	OLD MILTON SERVICE STATION	5268	ERO	Walla Walla	16	\$75,000	\$75,000	\$0	\$0	\$0	\$0	\$75,000
14	BELLINGHAM	Chevron 90619	8836	NWRO	Whatcom	42	\$50,000	\$50,000	\$0	\$0	\$0	\$0	\$50,000
15	SEATTLE	Seattle Housing Authority Maint Parking Lot	6537	NWRO	King	43	\$50,000	\$50,000	\$0	\$0	\$0	\$0	\$50,000
16	VASHON	COLDEEN PROPERTY OLD GAS STATION	11082	NWRO	King	34	\$100,000	\$100,000	\$0	\$0	\$0	\$0	\$100,000
17	BOTHELL	Filbert Dr Bothell	10081	NWRO	Snohomish	21	\$100,000	\$100,000	\$0	\$0	\$0	\$0	\$100,000

Table 7A-LTMR (cont'd.): State-directed budget request for Leaking Tank Model Remedies:
 Included in Ecology's budget request to the Governor for the 2017-19 Biennium.

Rank	Recipient	Site Name	CSID	Region	County	Leg. District	Ecology's 2017-2019 Request	State-Directed Ten-Year Need					Total Ten-Year Need
								2017-19	2019-21	2021-23	2023-25	2025-27	
18	SNOHOMISH	G & G MEATS	10522	NWRO	Snohomish	44	\$100,000	\$100,000	\$0	\$0	\$0	\$0	\$100,000
19	SEDRO-WOOLLEY	HERBS MUFFLER & TUNE UP CENTER	7104	NWRO	Skagit	39	\$50,000	\$50,000	\$0	\$0	\$0	\$0	\$50,000
20		Site Investigations and Abandoned Site Cleanup	7777735	STATE	STATE	0	\$344,000	\$344,000	\$1,450,000	\$1,450,000	\$1,450,000	\$1,450,000	\$6,144,000
21		Model Remedy Evaluation & Verification	7777736	STATE	STATE	0	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$1,500,000
22		Model Remedy Review & Technology Review	7777737	STATE	STATE	0	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000
Leaking Tank Model Remedies Subtotals							\$1,950,000	\$1,950,000	\$1,950,000	\$1,950,000	\$1,950,000	\$1,950,000	\$9,750,000

Table 7B: 2017-27 Remaining ten-year financing needs for state-directed activities

2017–27 Remaining Ten-Year Financing Needs for State-Directed Activities.												
Recipient	Site Name	CSID	Region	County	Leg. District	Estimated State-Directed Ten-Year Need					Total Ten-Year Need	
						2017–19	2019–21	2021–23	2023–25	2025–27		
NORTHPORT	LeRoi Co Smelter	47	ERO	Stevens	07	\$300,000	\$0	\$0	\$0	\$0	\$300,000	
BAINBRIDGE ISLAND	EAGLE HARBOR WYCKOFF	2683	HQ	Kitsap	23	\$0	\$1,000,000	\$3,000,000	\$3,000,000	\$500,000	\$7,500,000	
	Bremerton Naval Complex NRDA	7777744	HQ	Kitsap	23	\$300,000	\$250,000	\$50,000	\$0	\$0	\$600,000	
PORT GAMBLE	Port Gamble Bay and Mill Site	3444	HQ	Kitsap	23	\$200,000	\$0	\$0	\$0	\$0	\$200,000	
BAINBRIDGE ISLAND	EAGLE HARBOR WYCKOFF	2683	HQ	Kitsap	23	\$0	\$2,500,000	\$1,000,000	\$200,000	\$200,000	\$3,900,000	
	Willapa Bay Statistical Support*	7777738	HQ	Pacific	19	\$30,000	\$0	\$0	\$0	\$0	\$30,000	
TACOMA	WELL 12A	135	HQ	Pierce	29	\$0	\$300,000	\$300,000	\$300,000	\$300,000	\$1,200,000	
ANACORTES	CUSTOM PLYWOOD MILL	4533	HQ	Skagit	40	\$0	\$250,000	\$250,000	\$250,000	\$100,000	\$850,000	
ANACORTES	MJB SOUTH HYDRO FILL	1434	HQ	Skagit	40	\$0	\$150,000	\$0	\$0	\$0	\$150,000	
ANACORTES	Scott Paper Mill	4520	HQ	Skagit	40	\$0	\$250,000	\$0	\$0	\$0	\$250,000	
	Maltby Mudflats Piling	7777745	HQ	Snohomish	38	\$0	\$500,000	\$600,000	\$0	\$0	\$1,100,000	
EVERETT	Jeld Wen	4402	HQ	Snohomish	38	\$200,000	\$0	\$0	\$0	\$0	\$200,000	
	Freshwater Natural Background Study*	7777739	IP	STATE	0	\$100,000	\$0	\$0	\$0	\$0	\$100,000	
OAK HARBOR	CORNET BAY MARINA	5048	NWRO	Island	10	\$150,000	\$0	\$0	\$0	\$0	\$150,000	
BOTHELL	BP Bothell Station	5084	NWRO	King	01	\$300,000	\$50,000	\$0	\$0	\$0	\$350,000	
BELLEVUE	TIKI CAR WASH	5096	NWRO	King	41	\$4,500,000	\$1,500,000	\$500,000	\$500,000	\$500,000	\$7,500,000	
SEATTLE	Jacobson Terminals Marine	4860	NWRO	King	36	\$5,192,000	\$500,000	\$500,000	\$500,000	\$500,000	\$7,192,000	

Table 7B (cont'd.): 2017-27 Remaining ten-year financing needs for state-directed activities

Recipient	Site Name	CSID	Region	County	Leg. District	Estimated State-Directed Ten-Year Need					Total Ten-Year Need
						2017-19	2019-21	2021-23	2023-25	2025-27	
LYNNWOOD	Ferrils Auto Wrecking (7269449)	6573	NWRO	King	32	\$125,000	\$250,000	\$1,000,000	\$250,000	\$0	\$1,625,000
SEATTLE	COAST CRANE	8173	NWRO	King	37	\$93,750	\$250,000	\$1,000,000	\$250,000	\$0	\$1,593,750
VASHON	COLDEEN PROPERTY OLD GAS STATION	11082	NWRO	King	34	\$0	\$250,000	\$1,000,000	\$250,000	\$0	\$1,500,750
REDMOND	CEDAR KING LUMBER	11123	NWRO	King	48	\$125,000	\$250,000	\$1,000,000	\$250,000	\$0	\$1,625,000
Seattle	Warners Auto Repair	7438	NWRO	King	11	\$93,750	\$250,000	\$1,000,000	\$250,000	\$0	\$1,593,750
SEATTLE	PORSCHE VOLKSWAGEN REPAIR	8450	NWRO	King	36	\$125,000	\$250,000	\$1,000,000	\$250,000	\$0	\$1,625,000
SEATTLE	VECA ELECTRIC	7993	NWRO	King	37	\$93,750	\$250,000	\$1,000,000	\$250,000	\$0	\$1,593,750
RENTON	KING COUNTY FIRE DISTRICT STATION	11254	NWRO	King	11	\$125,000	\$250,000	\$1,000,000	\$250,000	\$0	\$1,625,000
SEATTLE	Seattle Fire Station 25 (29946537)	8643	NWRO	King	43	\$125,000	\$250,000	\$1,000,000	\$250,000	\$0	\$1,625,000
SEATTLE	CARNATION DAIRY SEATTLE	10938	NWRO	King	46	\$93,750	\$250,000	\$1,000,000	\$250,000	\$0	\$1,593,750
KENT	MARALCO	5055	NWRO	King	33	\$3,000,000	\$2,000,000	\$250,000	\$250,000	\$250,000	\$5,750,000
NORTH BEND	DNR NORTH BEND	8714	NWRO	King	5	\$0	\$250,000	\$1,000,000	\$250,000	\$0	\$1,500,000
BAINBRIDGE ISLAND	Strawberry Plant	11500	NWRO	Kitsap	23	\$1,000,000	\$4,000,000	\$2,000,000	\$500,000	\$500,000	\$8,000,000
BREMERTON	Newmans Chevron	5252	NWRO	Kitsap	26	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
SEDRO-WOOLLEY	ASSOCIATED PETROLEUM PRODUCTS INC	2363	NWRO	Skagit	39	\$125,000	\$250,000	\$1,000,000	\$250,000	\$0	\$1,625,000
Everett	Wiggums Hollow, Viola Oursler & American Legion Park cleanup	7777743	NWRO	Snohomish	34	\$3,000,000	\$0	\$0	\$0	\$0	\$3,000,000
ACME	ACME GENERAL STORE	9179	NWRO	Whatcom	42	\$125,000	\$250,000	\$1,000,000	\$250,000	\$0	\$1,625,000

Table 7B (cont'd.): 2017-27 Remaining ten-year financing needs for state-directed activities

Recipient	Site Name	CSID	Region	County	Leg. District	Estimated State-Directed Ten-Year Need					Total Ten-Year Need
						2017-19	2019-21	2021-23	2023-25	2025-27	
BELLINGHAM	WESTERN WA UNIV PHYSICAL PLANT	9698	NWRO	Whatcom	40	\$80,000	\$100,000	\$100,000	\$100,000	\$100,000	\$480,000
BELLINGHAM	RG Haley Intl Corp	3928	NWRO	Whatcom	40	\$1,300,000	\$0	\$0	\$0	\$0	\$1,300,000
BELLINGHAM	WHATCOM WATERWAY	219	NWRO	Whatcom	42	\$1,500,000	\$0	\$0	\$0	\$0	\$1,500,000
PORT ANGELES	WESTERN PORT ANGELES HARBOR	11907	SWRO	Clallam	24	\$0	\$1,235,000	\$900,000	\$700,000	\$450,000	\$3,285,000
SHELTON	SPIKES HYDRAULIC	2660	SWRO	Mason	35	\$0	\$300,000	\$500,000	\$0	\$0	\$800,000
TACOMA	ALADDIN PLATING CO INC	3257	SWRO	Pierce	27	\$0	\$20,000	\$20,000	\$0	\$0	\$40,000
OLYMPIA	BMT NORTHWEST AKA RELIABLE STEEL	4076	SWRO	Thurston	22	\$500,000	\$2,000,000	\$50,000	\$0	\$0	\$2,550,000
Estimated Total Remaining State-Directed Subtotal						\$22,952,000	\$20,205,000	\$23,070,000	\$9,600,000	\$3,450,000	\$79,277,750

Placeholder—Future State-Directed Ten-Year Financing Needs

	Estimated State-Directed Ten-Year Need					Total Ten-Year Need
	2017-19	2019-21	2021-23	2023-25	2025-27	
Placeholder—Future State-Directed Subtotal	\$0	\$0	\$5,039,300	\$25,643,000	\$33,200,000	\$63,882,300

Summary of State-Directed Ten-Year Financing Needs

	Ecology's 2017-2019 Request	Estimated State-Directed Ten-Year Need					Total Ten-Year Need
		2017-19	2019-21	2021-23	2023-25	2025-27	
Estimated Total State-Directed Ten-Year Financing Need	\$27,322,900	\$50,274,900	\$50,599,700	\$50,000,000	\$50,000,000	\$50,000,000	\$250,875,350

Table 8: Projects over \$10 million in estimated total project cost through 2027

Projects over \$10 Million in Estimated Total Project Cost through 2027																
Facility Site ID	Recipient	Site Name	CSID	Region	County	Leg. District	Ecology's 2017-2019 Request	Estimated Ten-Year Need					Total Ten-Year Need	State Share	Local Government Share	Other Public and Private Money
								2017-19	2019-21	2021-23	2023-25	2025-27				
Facility Site ID 2662 MARCH POINT LANDFILL Located in ANACORTES																
	Skagit County Public Works	MARCH POINT LANDFILL	304	HQ	Skagit	40	\$0	\$5,938,500	\$6,080,500	\$1,758,000	\$1,792,000	\$1,007,000	\$16,576,000	\$8,288,000	\$8,288,000	\$0
Subtotals for Facility Site ID # 2662							\$0	\$5,938,500	\$6,080,500	\$1,758,000	\$1,792,000	\$1,007,000	\$16,576,000	\$8,288,000	\$8,288,000	\$0
Facility Site ID 14 GEORGIA PACIFIC WEST BELLINGHAM Located in BELLINGHAM																
	Port of Bellingham	Georgia Pacific West Bellingham	2279	NWRO	Whatcom	42	\$400,000	\$800,000	\$11,420,000	\$35,000	\$0	\$0	\$12,255,000	\$6,127,500	\$6,127,500	\$6,835,719
Subtotals for Facility Site ID # 14							\$400,000	\$800,000	\$11,420,000	\$35,000	\$0	\$0	\$12,255,000	\$6,127,500	\$6,127,500	\$6,835,719
Facility Site ID 2870 RG HALEY INTL CORP Located in BELLINGHAM																
	City of Bellingham	RG Haley Intl Corp	3928	NWRO	Whatcom	40	\$6,750,000	\$13,499,999	\$1,165,250	\$0	\$0	\$0	\$14,665,249	\$7,332,625	\$7,332,625	\$0
Subtotals for Facility Site ID # 2870							\$6,750,000	\$13,499,999	\$1,165,250	\$0	\$0	\$0	\$14,665,249	\$7,332,625	\$7,332,625	\$0
Facility Site ID 2899 WHATCOM WATERWAY Located in BELLINGHAM																
	Port of Bellingham	WHATCOM WATERWAY	219	NWRO	Whatcom	42	\$0	\$3,480,000	\$47,565,000	\$29,920,000	\$14,690,000	\$0	\$95,655,000	\$47,827,500	\$47,827,500	\$5,120,020
Subtotals for Facility Site ID # 2899							\$0	\$3,480,000	\$47,565,000	\$29,920,000	\$14,690,000	\$0	\$95,655,000	\$47,827,500	\$47,827,500	\$5,120,020
Facility Site ID 2922 Bellingham Port Harris Ave Shipyard Located in BELLINGHAM																
	Port of Bellingham	Harris Avenue Shipyard	193	NWRO	Whatcom	40	\$0	\$10,365,000	\$7,325,000	\$0	\$0	\$0	\$17,690,000	\$8,845,000	\$8,845,000	\$0
Subtotals for Facility Site ID # 2922							\$0	\$10,365,000	\$7,325,000	\$0	\$0	\$0	\$17,690,000	\$8,845,000	\$8,845,000	\$0
Facility Site ID 3145643 I & J Waterway Located in BELLINGHAM																
	Port of Bellingham	I & J Waterway	2012	NWRO	Whatcom	42	\$6,200,000	\$12,400,000	\$0	\$0	\$0	\$0	\$12,400,000	\$6,200,000	\$6,200,000	\$0
Subtotals for Facility Site ID # 3145643							\$6,200,000	\$12,400,000	\$0	\$0	\$0	\$0	\$12,400,000	\$6,200,000	\$6,200,000	\$0

Table 8 (cont'd.): Projects over \$10 million in estimated total project cost through 2027

Facility Site ID	Recipient	Site Name	CSID	Region	County	Leg. District	Ecology's 2017-2019 Request	Estimated Ten-Year Need					Total Ten-Year Need	State Share	Local Government Share	Other Public and Private Money	
								2017-19	2019-21	2021-23	2023-25	2025-27					
Facility Site ID 1880040		Lora Lake Apartments		Located in BURIEN													
	Port of Seattle	Lora Lake Apartments	2008	NWRO	King	33	\$0	\$15,985,776	\$1,354,741	\$101,600	\$50,800	\$0	\$17,492,917	\$8,746,459	\$8,746,459	\$0	
Subtotals for Facility Site ID # 1880040							\$0	\$15,985,776	\$1,354,741	\$101,600	\$50,800	\$0	\$17,492,917	\$8,746,459	\$8,746,459	\$0	
Facility Site ID 2744		EVERETT SMELTER		Located in EVERETT													
	Everett Smelter	4298	NWRO	Snohomish	38	\$2,750,000	\$2,750,000	\$8,000,000	\$6,000,000	\$6,000,000	\$6,000,000	\$28,750,000					
Subtotals for Facility Site ID # 2744							\$2,750,000	\$2,750,000	\$8,000,000	\$6,000,000	\$6,000,000	\$6,000,000	\$28,750,000				
Facility Site ID 1884322		WEYERHAEUSER MILL A FORMER		Located in EVERETT													
	Port of Everett	WEYERHAEUSER MILL A	2146	HQ	Snohomish	38	\$1,000,000	\$2,000,000	\$52,500,000	\$10,000,000	\$0	\$0	\$64,500,000	\$32,250,000	\$32,250,000	\$3,000,000	
Subtotals for Facility Site ID # 1884322							\$1,000,000	\$2,000,000	\$52,500,000	\$10,000,000	\$0	\$0	\$64,500,000	\$32,250,000	\$32,250,000	\$3,000,000	
Facility Site ID 42978181		Port of Longview		Located in LONGVIEW													
	Port of Longview	Longview TPH	9152	SWRO	Cowlitz	19	\$375,000	\$500,000	\$600,000	\$5,200,000	\$10,000,000	\$200,000	\$16,500,000	\$12,375,000	\$4,125,000	\$8,250,000	
Subtotals for Facility Site ID # 42978181							\$375,000	\$500,000	\$600,000	\$5,200,000	\$10,000,000	\$200,000	\$16,500,000	\$12,375,000	\$4,125,000	\$8,250,000	
Facility Site ID 3097108		Olympia Port Budd Inlet Sediment		Located in OLYMPIA													
	Port of Olympia	BUDD INLET SEDIMENT	2245	SWRO	Thurston	22	\$0	\$28,900,000	\$51,570,000	\$57,850,000	\$100,000	\$0	\$138,420,000	\$69,210,000	\$69,210,000	\$6,840,000	
Subtotals for Facility Site ID # 3097108							\$0	\$28,900,000	\$51,570,000	\$57,850,000	\$100,000	\$0	\$138,420,000	\$69,210,000	\$69,210,000	\$6,840,000	
Facility Site ID 18898		WESTERN PORT ANGELES HARBOR		Located in PORT ANGELES													
	City of Port Angeles	WESTERN PORT ANGELES HARBOR	11907	SWRO	Clallam	24	\$1,392,000	\$1,856,000	\$6,488,333	\$7,966,666	\$5,158,332	\$2,929,166	\$24,398,497	\$18,298,873	\$6,099,624	\$1,424,191	
Subtotals for Facility Site ID # 18898							\$1,392,000	\$1,856,000	\$6,488,333	\$7,966,666	\$5,158,332	\$2,929,166	\$24,398,497	\$18,298,873	\$6,099,624	\$1,424,191	

Table 8 (cont'd.): Projects over \$10 million in estimated total project cost through 2027

Facility Site ID	Recipient	Site Name	CSID	Region	County	Leg. District	Ecology's 2017-2019 Request	Estimated Ten-Year Need					Total Ten-Year Need	State Share	Local Government Share	Other Public and Private Money
								2017-19	2019-21	2021-23	2023-25	2025-27				
Facility Site ID 2180 SOUTH PARK LANDFILL Located in SEATTLE																
	Seattle Public Utilities	SOUTH PARK LANDFILL	1324	NWRO	King	11	\$0	\$8,300,000	\$2,600,000	\$0	\$0	\$0	\$10,900,000	\$5,450,000	\$5,450,000	\$0
Subtotals for Facility Site ID # 2180							\$0	\$8,300,000	\$2,600,000	\$0	\$0	\$0	\$10,900,000	\$5,450,000	\$5,450,000	\$0
Facility Site ID 989871 Harbor Island East Waterway Located in SEATTLE																
	Seattle City Light	Harbor Island East Waterway	1372	NWRO	King	11	\$0	\$1,279,663	\$9,147,221	\$13,297,142	\$13,297,142	\$13,297,142	\$50,318,310	\$25,159,155	\$25,159,155	\$0
	Port of Seattle	Harbor Island East Waterway	1372	NWRO	King	11	\$0	\$4,372,408	\$12,180,000	\$46,180,000	\$40,180,000	\$20,580,000	\$123,492,408	\$61,746,204	\$61,746,204	\$0
Subtotals for Facility Site ID # 989871							\$0	\$5,652,071	\$21,327,221	\$59,477,142	\$53,477,142	\$33,877,142	\$173,810,718	\$86,905,359	\$86,905,359	\$0
Facility Site ID 42927743 LOWER DUWAMISH WATERWAY Located in SEATTLE																
	Port of Seattle	LOWER DUWAMISH WATERWAY	1643	NWRO	King	34	\$0	\$2,618,122	\$8,236,426	\$6,184,000	\$20,584,000	\$20,584,000	\$58,206,548	\$29,103,274	\$29,103,274	\$0
	King County	LOWER DUWAMISH WATERWAY	1643	NWRO	King	34	\$0	\$16,839,184	\$1,990,983	\$0	\$0	\$0	\$18,830,167	\$9,415,083	\$9,415,083	\$0
	Seattle City Light	LOWER DUWAMISH WATERWAY	1643	NWRO	King	34	\$0	\$995,905	\$2,973,980	\$7,003,397	\$6,733,081	\$5,658,946	\$23,365,309	\$11,682,654	\$11,682,654	\$0
		LOWER DUWAMISH WATERWAY	1643	NWRO	King	34	\$4,400,000	\$4,400,000	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$20,400,000			
	Seattle Public Utilities	LOWER DUWAMISH WATERWAY	1643	NWRO	King	34	\$0	\$5,934,000	\$11,418,000	\$19,962,000	\$18,168,000	\$16,374,000	\$71,856,000	\$35,928,000	\$35,928,000	\$0
Subtotals for Facility Site ID # 42927743							\$4,400,000	\$30,787,211	\$28,619,388	\$37,149,397	\$49,485,081	\$46,616,946	\$192,658,023	\$86,129,012	\$86,129,012	\$0
Facility Site ID 96127971 Mount Baker Cleaners Located in SEATTLE																
		Mt Baker Properties	13054	NWRO	King	37	\$1,100,000	\$1,100,000	\$6,200,000	\$3,300,000	\$1,100,000	\$0	\$11,700,000			
Subtotals for Facility Site ID # 96127971							\$1,100,000	\$1,100,000	\$6,200,000	\$3,300,000	\$1,100,000	\$0	\$11,700,000			

Table 8 (cont'd.): Projects over \$10 million in estimated total project cost through 2027

Recipient	Site Name	CSID	Region	County	Leg. District	Ecology's 2017–2019 Request	Estimated Ten-Year Need					Total Ten-Year Need	State Share	Local Government Share	Other Public and Private Money	
							2017–19	2019–21	2021–23	2023–25	2025–27					
Facility Site ID 98422914							Crowley Marine Services Inc Terminal 115 Located in SEATTLE									
Port of Seattle	Port of Seattle Terminal 115	11307	NWRO	King	34	\$0	\$3,000,000	\$4,000,000	\$1,500,000	\$1,500,000	\$10,000,000	\$20,000,000	\$10,000,000	\$10,000,000	\$0	
Subtotals for Facility Site ID # 98422914						\$0	\$3,000,000	\$4,000,000	\$1,500,000	\$1,500,000	\$10,000,000	\$20,000,000	\$10,000,000	\$10,000,000	\$0	
Facility Site ID 1220							ARKEMA INC Located in TACOMA									
Port of Tacoma	ARKEMA MFG.	3405	SWRO	Pierce	27	\$0	\$3,796,000	\$42,400,000	\$0	\$0	\$0	\$46,196,000	\$23,098,000	\$23,098,000	\$0	
Subtotals for Facility Site ID # 1220						\$0	\$3,796,000	\$42,400,000	\$0	\$0	\$0	\$46,196,000	\$23,098,000	\$23,098,000	\$0	
Facility Site ID 6505							Pier 4 Port of Tacoma Located in Tacoma									
Port of Tacoma	Pier 4 Port of Tacoma	12597	SWRO	Pierce	27	\$0	\$17,000,000	\$0	\$0	\$0	\$0	\$17,000,000	\$8,500,000	\$8,500,000	\$0	
Subtotals for Facility Site ID # 6505						\$0	\$17,000,000	\$0	\$0	\$0	\$0	\$17,000,000	\$8,500,000	\$8,500,000	\$0	
Facility Site ID 1927							INTERSTATE 82 EXIT 33A Located in YAKIMA									
City of Yakima	Interstate 82 Exit 33A Yakima City Landfill	3853	CRO	Yakima	15	\$7,000,000	\$9,333,333	\$5,666,667	\$0	\$0	\$0	\$15,000,000	\$11,250,000	\$3,750,000	\$0	
Subtotals for Facility Site ID # 1927						\$7,000,000	\$9,333,333	\$5,666,667	\$0	\$0	\$0	\$15,000,000	\$11,250,000	\$3,750,000	\$0	
Grand Total For Projects with Total Cost over \$10 Million						\$31,366,999	\$177,443,890	\$304,882,100	\$220,257,805	\$143,353,355	\$100,630,254	\$946,567,404	\$456,833,326	\$428,884,078	\$31,469,930	

Appendix B:

Reporting Requirements for MTCA Ten-Year Financing Report (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.

Full text available at: <http://app.leg.wa.gov/rcw/default.aspx?cite=70.105D.030>

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Appendix C:

House & Senate Bills that Direct the MTCA Ten-Year Financing Report

**Second Engrossed House Bill 1115, Section 7038
(2EHB 1115)** (June 2015)

<http://lawfilesexternal.wa.gov/biennium/2015-16/Pdf/Bills/Session%20Laws/House/1115.SL.pdf>

House Bill 2079 (HB 2079) (September 2013)

<http://lawfilesexternal.wa.gov/biennium/2013-14/Pdf/Bills/Session%20Laws/House/2079.SL.pdf>

**Second Engrossed Second Substitute Senate Bill 5296
(2E2SSB 5296)** (July 2013)

<http://lawfilesexternal.wa.gov/biennium/2013-14/Pdf/Bills/Session%20Laws/Senate/5296-S2.SL.pdf>

Substitute House Bill 1761 (SHB 1761) (July 2007)

<http://lawfilesexternal.wa.gov/biennium/2007-08/Pdf/Bills/Session%20Laws/House/1761-S.SL.pdf>

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CERTIFICATION OF ENROLLMENT
SECOND ENGROSSED HOUSE BILL 1115

Chapter 3, Laws of 2015
(partial veto)

64th Legislature
2015 3rd Special Session

CAPITAL BUDGET

EFFECTIVE DATE: 6/30/2015

Passed by the House June 30, 2015
Yeas 96 Nays 2

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate June 30, 2015
Yeas 44 Nays 1

PAM ROACH

President of the Senate

Approved June 30, 2015 11:34 PM, with
the exception of Sections 3241 and
7044, which are vetoed.

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 **SECOND
ENGROSSED HOUSE BILL 1115** as passed
by House of Representatives and the
Senate on the dates hereon set
forth.

BARBARA BAKER

Chief Clerk

FILED

July 1, 2015

**Secretary of State
State of Washington**

1 larger project, and that if combined over a continuous period of
2 time, would exceed \$1,000,000, or \$2,000,000 for higher education
3 minor works projects. Improvements for accessibility in compliance
4 with the Americans with disabilities act may be included in any of
5 the minor works categories.

6 (b) Minor works appropriations may not be used for the following:
7 Studies, except for technical or engineering reviews or designs that
8 lead directly to and support a project on the same minor works list;
9 planning; design outside the scope of work on a minor works list;
10 moveable, temporary, and traditionally funded operating equipment not
11 in compliance with the equipment criteria established by the office
12 of financial management; software not dedicated to control of a
13 specialized system; moving expenses; land or facility acquisition;
14 rolling stock; computers; or to supplement funding for projects with
15 funding shortfalls unless expressly authorized. The office of
16 financial management may make an exception to the limitations
17 described in this subsection (2)(b) for exigent circumstances after
18 notifying the legislative fiscal committees and waiting ten days for
19 comments by the legislature regarding the proposed exception.

20 (c) Minor works preservation projects may include program
21 improvements of no more than twenty-five percent of the individual
22 minor works preservation project cost.

23 NEW SECTION. **Sec. 7037. FOR THE STATE TREASURER—TRANSFERS**

24 Public works assistance account—state: For transfer
25 to the water pollution control revolving account,
26 \$6,000,000 for fiscal year 2016 and \$6,000,000 for
27 fiscal year 2017. \$12,000,000

28 Public works assistance account—state: For transfer
29 to the drinking water assistance account, \$4,000,000
30 for fiscal year 2016 and \$4,000,000 for fiscal
31 year 2017. \$8,000,000

32 NEW SECTION. **Sec. 7038. STATE TREASURER TRANSFER AUTHORITY**

33 State toxics control account: For transfer to the
34 environmental legacy trust account. \$24,000,000

35 Local toxics control account: For transfer to the
36 environmental legacy trust account. \$30,000,000

1 (1) As directed by the department of ecology in consultation with
2 the office of financial management, the state treasurer shall
3 transfer amounts among the state toxics control account, the local
4 toxics control account, and the environmental legacy stewardship
5 account as needed during the 2015-2017 fiscal biennium to maintain
6 positive account balances in all three accounts.

7 (2) As directed by the department of ecology in consultation with
8 the office of financial management, the state treasurer shall
9 transfer amounts from the cleanup settlement account established in
10 RCW 70.105D.130 to the state toxics control account, the local toxics
11 control account or the environmental legacy stewardship account to
12 maintain positive account balances up to an amount not to exceed
13 \$13,000,000 that must be considered an inter fund loan that must be
14 repaid with interest to the cleanup settlement account in three equal
15 repayments in fiscal years 2018, 2019, and 2020.

16 (3) If, after using the inter-fund transfer authority granted in
17 this section, the department of ecology determines that further
18 reductions are needed to maintain positive account balances in the
19 state toxics control account, the local toxics control account, and
20 the environmental legacy stewardship account, the department is
21 authorized to delay the start of clean-up projects based on acuity of
22 need, readiness to proceed, cost-efficiency, or need to ensure
23 geographic distribution. If the department uses this authority, the
24 department must submit a prioritized list of projects that may be
25 delayed to the office of financial management and the appropriate
26 fiscal committees of the legislature.

27 NEW SECTION. **Sec. 7039.** To the extent that any appropriation
28 authorizes expenditures of state funds from the state building
29 construction account, or from any other capital project account in
30 the state treasury, for a capital project or program that is
31 specified to be funded with proceeds from the sale of bonds, the
32 legislature declares that any such expenditures for that project or
33 program made prior to the issue date of the applicable bonds are
34 intended to be reimbursed from proceeds of those bonds in a maximum
35 amount equal to the amount of such appropriation.

36 NEW SECTION. **Sec. 7040.** Fiscal or related staff from the office
37 of financial management shall form a four-year prioritized capital

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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**

HOUSE BILL 2079

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.

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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**

SECOND ENGROSSED SECOND SUBSTITUTE SENATE BILL 5296

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.

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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**

SUBSTITUTE HOUSE BILL 1761

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.

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Passed by the Senate April 10, 2007.

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