

Remedial Action Grants

Position

The NWSA supports legislative action to ensure remediation projects at the Port of Tacoma and the Port of Seattle identified in the 2015-17 capital budget are funded.

The issue

Ports currently receive Remedial Action Grants (RAGs) from the Model Toxics Control Act (MTCA) accounts to clean up contaminated properties. The accounts are funded by a dedicated tax on toxics in the state. Crude oil is the single largest source of revenue for the fund.

Although the Legislature appropriated \$65 million for Remedial Action Grants as part of the 2015-17 capital budget, falling oil prices and decisions by the Legislature to divert MTCA dollars to the operating budget has resulted in a precipitous drop in revenue for RAGs. As such, Ecology was unable to fund many cleanup project prioritized by lawmakers three years ago, including three projects at the ports of Tacoma and Seattle.

Cleanups create family wage jobs

Often the potential liability associated with contamination discourages business development. Industrial cleanups allow for the redevelopment of abandoned, idled and

underused facilities. The result: property is put back into productive use, the tax base expands, and jobs are created.

According to a recent Department of Ecology study, every dollar spent on remediation results in \$7 in long-term payrolls, \$32 in business revenue and \$6 in tax revenue as cleaned-up properties are put into productive use.

Port of Tacoma/Port of Seattle Eligible projects	
Kaiser	\$2.3 million
Port of Tacoma various projects	\$0.8 million
Lora Lake Apartments	\$5.0 million
TOTAL	\$8.1 million

Industrial cleanups help the environment

The state contains hundreds of hazardous waste sites which threaten the state's water resources, including Puget Sound, and present serious threats to human health and the environment. The costs of eliminating these threats often are beyond the financial means of local governments. Using RAGs, ports have been especially effective at cleaning up near-shore properties and aquatic lands contaminated by decades of industrial practices by

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previous owners that threaten the health of the Puget Sound.

RAGs leverage local government contributions

RAGs are provided to local governments after they enter into an agreement with Ecology to clean up a contaminated property. Local governments assume tremendous risk when they agree to undertake these projects. Their ability to assume this risk depends on the state's commitment to remain a dedicated, long-term partner that will continue to provide matching funds for cleanup projects that often span several biennia. In fact, by the end of 2015, the ports of Tacoma and Seattle completed \$7.3 million in remediation work for which they have yet to be reimbursed. When RAG funding is not made available for existing remediation projects, it makes it difficult for ports to want to enter future agreed orders with the state.

