

**RCW 15.04.420 Compost reimbursement program—Eligibility—**

**Application form—Limitations on distribution of funds—Report to the legislature.**

(1) (a) Subject to the availability of amounts appropriated for this specific purpose, the department must establish and implement a compost reimbursement program to reimburse farming operations in the state for purchasing and using compost products that were not generated by the farming operation, including transportation, spreading equipment, labor, fuel, and maintenance costs associated with spreading equipment. The grant reimbursements under the program begin July 1, 2023.

(b) For the purposes of this program, "farming operation" means: A commercial agricultural, silvicultural, or aquacultural facility or pursuit, including the care and production of livestock and livestock products, poultry and poultry products, apiary products, and plant and animal production for nonfood uses; the planting, cultivating, harvesting, and processing of crops; and the farming or ranching of any plant or animal species in a controlled salt, brackish, or freshwater environment.

(2) To be eligible to participate in the reimbursement program, a farming operation must complete an eligibility review with the department prior to transporting or applying any compost products for which reimbursement is sought under this section. The purpose of the review is for the department to ensure that the proposed transport and application of compost products is consistent with the department's agricultural pest control rules established under chapter 17.24 RCW. A farming operation must also verify that it will allow soil sampling to be conducted by the department upon request before compost application and until at least 10 years after the last grant funding is used by the farming operation, as necessary to establish a baseline of soil quality and carbon storage and for subsequent department evaluations to assist the department's reporting requirements under subsection (8) of this section.

(3) The department must create a form for eligible farming operations to apply for cost reimbursement for costs from purchasing and using compost from facilities with solid waste handling permits, including transportation, equipment, spreading, and labor costs. All applications for cost reimbursement must be submitted on the form along with invoices, receipts, or other documentation acceptable to the department of the costs of purchasing and using compost products for which the applicant is requesting reimbursement, as well as a brief description of what each purchased item will be used for. The department may request that an applicant provide information to verify the source, size, sale weight, or amount of compost products purchased and the cost of transportation, equipment, spreading, and labor. The applicant must also declare that it is not seeking reimbursement for purchase or labor costs for:

(a) Its own compost products; or

(b) Compost products that it has transferred, or intends to transfer, to another individual or entity, whether or not for compensation.

(4) A farming operation may submit only one application per fiscal year in which the program is in effect for purchases made and usage costs incurred during the fiscal year that begins on July 1st and ends on June 30th. Applications for reimbursement must be filed before the end of the fiscal year in which purchases were made and usage costs incurred.

(5) The department must distribute reimbursement funds, subject to the following limitations:

(a) A farming operation is not eligible to receive reimbursement if the farming operation's application was not found eligible for reimbursement by the department under subsection (2) of this section prior to the transport or use of compost;

(b) A farming operation is not eligible to receive reimbursement for more than 50 percent of the costs it incurs each fiscal year for the purchase and use of compost products, including transportation, equipment, spreading, and labor costs;

(c) A farming operation is not eligible to receive more than \$10,000 per fiscal year;

(d) A farming operation is not eligible to receive reimbursement for its own compost products or compost products that it has transferred, or intends to transfer, to another individual or entity, whether or not for compensation; and

(e) A farming operation is not eligible to receive reimbursement for compost products that were not purchased from a facility with a solid waste handling permit.

(6) The applicant shall indemnify and hold harmless the state and its officers, agents, and employees from all claims arising out of or resulting from the compost products purchased that are subject to the compost reimbursement program under this section.

(7) There is established within the department a compost reimbursement program manager position. The compost reimbursement program manager must possess knowledge and expertise in the area of program management necessary to carry out the duties of the position, which are to:

(a) Facilitate the division and distribution of available costs for reimbursement; and

(b) Manage the day-to-day coordination of the compost reimbursement program.

(8) In compliance with RCW 43.01.036, the department must submit an annual report to the appropriate committees of the legislature by January 15th of each year of the program in which grants have been issued or completed. The report must include:

(a) The amount of compost for which reimbursement was sought under the program;

(b) The qualitative or quantitative effects of the program on soil quality and carbon storage; and

(c) A periodically updated evaluation of the benefits and costs to the state of expanding or furthering the strategies promoted in the program. [2022 c 180 § 502.]

**Findings—Intent—Scope of authority of chapter 180, Laws of 2022—2022 c 180:** See notes following RCW 70A.205.007.