

HOUSE BILL REPORT

HB 1916

*As Reported By House Committee on:
Natural Resources & Parks
Revenue*

Title: An act relating to the establishment of a stewardship account for state-owned wildlife habitat, natural areas, parks, and other recreation sites.

Brief Description: Adopting the state lands stewardship act.

Sponsor(s): Representatives Belcher, Fraser, Wang, Phillips and Anderson; by request of Interagency for Outdoor Recreation.

Brief History:

Reported by House Committee on:
Natural Resources & Parks, March 4, 1991, DP;
Revenue, March 10, 1991, DPS.

**HOUSE COMMITTEE ON
NATURAL RESOURCES & PARKS**

Majority Report: *Do pass.* Signed by 6 members:
Representatives Belcher, Chair; Scott, Vice Chair; Dellwo;
Fraser; Hargrove; and Sheldon.

Minority Report: *Do not pass.* Signed by 4 members:
Representatives Beck, Ranking Minority Member; Brumsickle,
Assistant Ranking Minority Member; Morton; and Wynne.

Staff: Marilee Scarbrough (786-7129).

Background: The 1990 supplemental operation budget directed the interagency Committee for Outdoor Recreation to conduct a study of the operation and maintenance needs of state-owned habitat and natural areas, parks, and other state-owned recreational sites. The study was submitted to the Legislature on December 15, 1990.

The study found that there are significant shortfalls in operation and maintenance funding. A one-time catch-up expenditure of \$39.5 million is required to repair facilities and roads, and to replace equipment which has exceeded its planned life cycle. There is also a need to increase annual operation and maintenance funding by \$10.9 million to prevent future backlogs from occurring, and to

properly care for new lands acquired during the 1989-91 biennium.

Summary of Bill: The State Lands Stewardship Account is created. Moneys in the account must be used exclusively to support operations and maintenance costs associated with owning and managing resources.

Funding of basic stewardship needs is a priority over needs related to resource improvement, human use management, or administration.

Agencies eligible to receive funds from the account include the departments of Fisheries, Wildlife, and Natural Resources, and the Parks and Recreation Commission.

Fiscal Note: Requested February 21, 1991.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Agencies need additional funds to maintain existing properties and existing facilities. Agencies are required to manage more and more natural conservation area lands and recreation lands. The State needs to protect its investments in public lands. The State needs a stable funding source for recreation and conservation lands. The State must preserve lands for operation and maintenance needs. Adequate funding for maintenance is essential for weed control, such as purple loosestrife and spartina.

Testimony Against: The real estate excise tax is contrary to the position of the Washington Association of Realtors. Over the last year, real estate excise taxes are the fastest growing source for revenue.

The tax could keep first time and low-income home buyers out of the housing market.

Witnesses: Bob Wilder, Director, Interagency Committee for Outdoor Recreation (in Favor); Stan Biles, Department of Natural Resources (in favor); Curt Smitch, Director, Department of Wildlife (in favor); Cleve Pinnix, Deputy Director, State Parks and Recreation Commission (in favor); Maggie Coon, Nature Conservancy (in favor); Jeff Parsons, Audubon Society (in favor); Joe LaTourrette, Washington Recreation and Wildlife Coalition (in favor); Lynn Hudson, Washington Association of Realtors (supports policy); and John Soine, Realtor, (opposed).

**HOUSE COMMITTEE ON
REVENUE**

Majority Report: *That Substitute House Bill No. 1916 be substituted therefor, and the substitute bill do pass.* Signed by 8 members: Representatives Wang, Chair; Fraser, Vice Chair; Appelwick; Belcher; Leonard; Morris; Phillips; and Rust.

Minority Report: *Do not pass.* Signed by 7 members: Representatives Holland, Ranking Minority Member; Wynne, Assistant Ranking Minority Member; Brumsickle; Day; Morton; Silver; and Van Luven.

Staff: Rick Peterson (786-7150).

Summary of Recommendation of Committee on Revenue Compared to Recommendation of Committee on Natural Resources & Parks: The substitute bill retains all of the original bill except the outdoor recreation equipment tax. The tax on motor homes, campers and trailers is clarified and collection starts with registrations beginning January 1992.

Fiscal Note: Requested February 21, 1991.

Effective Date of Substitute Bill: Ninety days after adjournment of session in which bill is passed.

Testimony For: There is a serious shortfall in spending on operations and maintenance for state lands. M&O is less than 1 percent of the value of natural resource lands. Protection of investment in natural resource lands is important. The Nature Conservancy sets aside 25 to 30 percent of the value of their lands for stewardship.

Testimony Against: A selective business and occupation tax on outdoor equipment will create administrative difficulties for the manufacturers, wholesalers and retailers of items taxed by the bill. The tax will place Washington businesses at a disadvantage relative to out-of-state businesses and mail order firms. These programs benefit the entire population of the state and should be financed by a general funding source. There is no close connection between those that pay the outdoor recreational equipment tax, the real estate excise tax and the recreational vehicle tax and those that benefit from state lands. The real estate excise tax is too volatile to be a reliable source of revenue. The tax on recreational vehicles will fall mostly on senior citizens.

Witnesses: Maggie Coon, The Nature Conservancy (pro); Jim King, Washington Sportsmen Council (pro); Joe Latourvelte, Washington Wildlife and Recreation Council (pro); Bob Wilder, IAC (pro); Tom Akers, Washington State Bowhunters (pro); Cleve Pinnix, State Parks (pro); Jan Gee, Washington Retail Association (con); Chris McBride, Yeagers Sporting Goods & Marine (con); Phillip Van Hog, Phil's Sporting Goods Inc. (con); George Whitehouse, Sears, Roebuck & Co. (con); Ron Irwin, B & I (con); John Woodring, Washington Association of Realtors (con); Nancy Bratton, Seattle Chamber (con); Stan Biles, Department of Natural Resources (pro); Steve Holson, Recreational Vehicle Industry Association (con); Curtis Riess, Olympic Sports (con); Nancee Wildermuth, Pacific Northwest Ski Acres Association (con); and Jeff Parsons, National Audubon Society (pro).