

HOUSE BILL REPORT

ESHB 1785

As Amended by the Senate

Title: An act relating to investing in the creation of jobs to restore and enhance Washington's estuaries, waterways, forests, and watersheds.

Brief Description: Creating jobs to restore and enhance Washington's estuaries, waterways, forests, and watersheds.

Sponsors: By House Committee on Environmental Affairs (originally sponsored by Representatives Locke, J. Kohl, Rust, Jacobsen, Wineberry, Shin, Dunshee, Holm, Pruitt, Jones, Finkbeiner, King, Basich, Quall, Orr, Johanson, Leonard and Anderson.)

Brief History:

Reported by House Committee on:
Environmental Affairs, March 3, 1993, DPS;
Appropriations, March 6, 1993, DPS(ENA-A APP);
Passed House, March 13, 1993, 85-13;
Amended by Senate.

HOUSE COMMITTEE ON ENVIRONMENTAL AFFAIRS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 10 members: Representatives Rust, Chair; Flemming, Vice Chair; Horn, Ranking Minority Member; Bray; Foreman; Holm; L. Johnson; J. Kohl; Linville; and Roland.

Minority Report: Do not pass. Signed by 4 members: Representatives Van Luven, Assistant Ranking Minority Member; Edmondson; Hansen; and Sheahan.

Staff: Rick Anderson (786-7114).

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill by Committee on Environmental Affairs be substituted therefor and the substitute bill as amended by Committee on Appropriations do pass. Signed by 22 members: Representatives Locke, Chair; Valle, Vice Chair; Silver, Ranking Minority Member; Carlson, Assistant Ranking Minority Member; Appelwick; Ballasiotes; Basich; Cooke; Dellwo; Dorn; Dunshee; G. Fisher; Jacobsen;

Lemmon; Linville; Peery; Rust; Sehlin; Sommers; Wang; Wineberry; and Wolfe.

Minority Report: Without recommendation. Signed by 3 members: Representatives Sheahan; Stevens; and Talcott.

Staff: Nancy Stevenson (786-7137).

Background: Local governments are required to develop several types of water-related plans. Examples of these planning requirements include: shoreline management plans, stormwater plans, drinking water plans, flood plans, and watershed action plans. These plans often identify actions necessary to improve existing problems, but financing for these actions is often difficult to obtain.

Natural resource based industries are, and have historically been, an important part of the state's economy. These industries are in relative decline as compared to other sectors of the state's economy, such as aerospace and agriculture.

Water quality and habit degradation is negatively affecting many of these natural resource based industries.

There are efforts at the state and national level to find creative ways to finance ready-to-go projects that create jobs and improve water quality and habitats.

Summary of Bill: An Interagency Council on Environmental and Forest Restoration is created within the Office of the Governor. The 15 member council consists of the governor, who serves as chair, representatives of nine state agencies and representatives of tribes, labor, environmental groups, cities, and counties. Non-agency members are not allowed to participate in funding decisions. The council is to be staffed by the Department of Community Development.

A legislative intent is established to fund environmental and forest restoration projects through the operating and capital budgets during fiscal year 1994. A process is established directing the governor to consider placing unanticipated federal funds into the environmental and forest restoration account or to direct agencies receiving federal funds to use those funds in a manner consistent with the criteria established in the bill.

The environment and forest restoration account is established in the state treasury. The account is to be funded by principal and interest repayments, and through unspecified state and federal funds. Money in the account is subject to legislative appropriation. The Department of

Community Development is to administer the account. At least 10 percent of annual revenues are to be used for the Washington Conservation Corps. No more than 3 percent can be used for administration. State and local agencies, tribes, and private non-profit organizations are eligible for grants and loans from the account. The account may not be used to hire permanent state employees except for essential administration and supervisory positions.

Beginning in 1993, the council has four principle duties: 1) to assist state and local agencies in implementing effective restoration projects; 2) to evaluate unemployment profile data; 3) to review projects funded in fiscal year 1994 for consistency with the criteria established in the bill; and 4) to make recommendations to streamline grant administration for programs that address environmental and forest restoration.

Beginning in 1994, the council is also required to make funding decisions on environmental and forest restoration projects. Projects funded must meet specified criteria, such as: improving water and habitat quality; creating labor intensive jobs; meeting multiple objectives, and implementing state or federal plans. The council is directed to avoid funding projects that include rule-making, planning, or public education activities.

The Puget Sound Water Quality Authority and the departments of Ecology and Natural Resources must jointly create two watershed analysis teams. The teams are directed to evaluate the interactions of water quality and water use. One team is to operate in eastern Washington and one team is to operate in western Washington.

EFFECT OF SENATE AMENDMENT(S): Several conditions are placed on the uses of the environmental and forest restoration account: 50 percent of the funds must be awarded to rural communities impacted by decreased timber harvest levels and to employ displaced timber workers; 5 percent of the funds must be awarded to non-profit organizations; and no more than 5 percent of funds may go to a single project. The cap on administrative expenses is increased from 3 to 5 percent.

A number of new criteria for awarding funds are established, including the use of an environmental business, ranking by a conservation district, and criteria to evaluate training programs. A number of first year funding priorities are added, including projects that fund training, watershed action plans, and plans approved by a shellfish protection district.

The 15 member interagency coordinating council is changed to a 7 member task force on environmental enhancement and job creation.

Persons hired under this chapter must receive opportunities for training, job placement, and remedial education. A process is established to make it easier for workers that have completed a job funded under this chapter to qualify for unemployment insurance benefits. Workers that are successfully participating in a environmental restoration training program under this chapter are eligible for unemployment insurance benefits while in training.

The Legislative Budget Committee is required to evaluate the implementation of this act by June 30, 1998. The Washington Conservation Corps program is extended from July 1, 1995 to July 1, 2000. A section is added clarifying that in the event of a conflict between this act and federal funding requirements, federal requirements prevail. An emergency clause is added.

The two comprehensive watershed analysis teams are deleted.

Fiscal Note: Requested February 9, 1993.

Effective Date: Ninety days after adjournment of session in which bill is passed. However, the section establishing watershed action teams is null and void unless funded in the budget.

Testimony For: (Environmental Affairs) The bill will create jobs and improve the environment by implementing existing plans. The bill will restore funding to Washington Conservation Corps. The corps provides jobs and skills to disadvantaged youth while implementing important restoration projects at low cost. The bill will help the shellfish industries by improving water quality. New and existing cars create water pollution mainly through emissions and wear from brake linings and tires.

(Appropriations) The bill accomplishes important watershed, fish habitat, and forest restoration projects and creates jobs for displaced workers. However, do not fund these projects at the expense of existing programs. Keep looking for possible fund sources. Please consider an amendment to provide for family wages. This bill can be a part of an overall recovery package.

Testimony Against: (Environmental Affairs) New cars should not be taxed because they create less pollution than older cars and because new cars are already extensively taxed. Recreational boaters should not be required to pay

additional taxes. The bill will tax bunker fuel and cause disruptions in the shipping industry.

(Appropriations) None.

Witnesses: (Environmental Affairs) Representative Gary Locke, Prime Sponsor (pro); Representative Jeanne Kohl (pro); Kathy Fletcher, People for Puget Sound (pro); Fred Olson, Ak-WA Incorporated (con); Jenny Coffing, citizen (pro); Ward Sagen, citizen (pro); Mark Greenberg, Pacific Northern Oil (con); Ray Shindler, Purse Seine Vessel Owners Association (pro); Jim Boldt, Washington Auto Dealers Association (pro with amendments); Joan Thomas, Washington Environmental Council (pro); Larry Phillips, King County Council (pro); Mike Ryherd, Washington Wildlife Recreation Coalition (pro); Sally Hicks, Department of Fisheries Manager, Retired (pro); and Ron Wagner, Blackball Transport (concerns).

(Appropriations) Naki Stevens, People for Puget Sound (pro); Bruce Wishert, Sierra Club (pro); Ralph Mackey, Washington Environmental Council (pro); and Jeff Parsons, National Audubon (pro).

VOTE ON FINAL PASSAGE:

Yeas 85; Nays 13

Nays: Representatives Ballasiotes, Chandler, Edmondson, Fuhrman, Lisk, Morton, Padden, Schmidt, Schoesler, Sheahan, Stevens, Thomas, Van Luven