

HOUSE BILL REPORT

HB 1617

As Reported By House Committee On:

Natural Resources

Capital Budget

Title: An act relating to the acquisition of habitat conservation and outdoor recreation lands.

Brief Description: Establishing a moratorium on the acquisition of habitat conservation and outdoor recreation lands.

Sponsors: Representatives McMorris, Pelesky, Fuhrman, L. Thomas, Pennington, Schoesler, McMahan, Buck, Silver, Hankins, Chandler, Sheahan, Goldsmith, Mulliken, Johnson, Thompson, Skinner, Casada, Sherstad, Delvin, Lambert, Koster, D. Schmidt, Stevens, Hargrove, Van Luven, Smith, Horn, Boldt, Talcott, Huff, Sheldon, Elliot, Brumsickle, Mielke, Reams, Carrell, Backlund, Campbell, Crouse, Lisk, Cairnes, Padden, Clements, Dyer, B. Thomas, Ballasiotes, Mastin and Benton.

Brief History:

Committee Activity:

Natural Resources: 2/21/95, 2/23/95 [DPS];

Capital Budget: 3/3/95, 3/6/95. [DP2S].

HOUSE COMMITTEE ON NATURAL RESOURCES

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 8 members: Representatives Fuhrman, Chairman; Buck, Vice Chairman; Pennington, Vice Chairman; Beeksma; Cairnes; Elliot; Stevens and Thompson.

Minority Report: Do not pass. Signed by 7 members: Representatives Basich, Ranking Minority Member; Regala, Assistant Ranking Minority Member; G. Fisher; Jacobsen; Romero; Sheldon and B. Thomas.

Staff: Linda Byers (786-7129).

Background: The Legislature created the Washington Wildlife and Recreation Program (WWRP) in 1990. In creating this program, the Legislature declared that it is the policy of the state to acquire as soon as possible the most significant lands for wildlife conservation and outdoor recreation purposes before they are converted to

other uses, and to develop existing public recreational land and facilities to meet the needs of present and future generations.

The WWRP program is administered by the Interagency Committee for Outdoor Recreation (IAC). Funds provided to the program are divided equally into two accounts: the Habitat Conservation Account, and the Outdoor Recreation Account. Funds appropriated to the Habitat Conservation Account may be used to acquire and develop critical habitat, natural areas, and urban wildlife habitat. Funds appropriated to the Outdoor Recreation Account may be used for acquisition and development of state parks, local parks, trails, and water access sites. WWRP monies may not be used to acquire land through condemnation.

Funds for WWRP projects are appropriated through the capital budget and come primarily through the sale of state general obligation bonds. State and local agencies compete for these funds by submitting grant applications to the IAC. Projects within each category are evaluated and scored by evaluation teams. The IAC then prepares a list of the scored projects for submission to the Governor. The Governor may delete projects from this list. The IAC list as modified by the Governor is submitted to the Legislature in the Governor's proposed capital budget. The Legislature may also delete projects from the list. The number of projects funded depends on the appropriation provided for the program in the final capital budget.

Since the program's inception, the Legislature has appropriated approximately \$179 million, funding 311 projects. The Governor's proposed capital budget for the 1995-97 biennium includes \$70 million for this program.

Summary of Substitute Bill: The purpose of the legislation is to establish a moratorium on the acquisition of lands for natural areas and critical habitat by state agencies through the Washington Wildlife and Recreation Program. Thirteen percent of the moneys allocated to the program are to be allocated to the habitat conservation account; the remainder is to be deposited in the outdoor recreation account. Until July 1, 1997, no moneys appropriated to the program may be used to acquire land for critical habitat or natural areas unless a specific purchase contract with the landowner has been signed and is in effect on the effective date of the act.

Substitute Bill Compared to Original Bill: The original bill imposed a two-year moratorium on all land acquisition under the Washington Wildlife and Recreation Program. The substitute bill imposes the moratorium on acquisition of lands for natural areas and critical habitat and also reduces the percentage of total funds allocated to the habitat conservation account.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill contains an emergency clause and takes effect immediately.

Testimony For (original bill): This bill temporarily halts purchases of new lands through the WWRP. The bill allows for the development of lands currently held and for purchases of land if a contract has been signed. It also allows for purchases of land in the capital budget through other programs such as the land bank and trust land transfer program. The legislation is important because it provides for much-needed policy evaluation, focuses on sound public land management, and is a fiscal necessity. Enough land in Washington is in public hands. The state has turned out to be a poor land manager. Excessive public lands stifle economic opportunity. Public land ownership can create trouble for counties which have little private property. The program has been abused. Public lands owned now need attention and development before buying any more lands. It would be better to reprioritize capital funding towards other projects such as school and prison construction. The bill is long overdue. Private lands are providing plenty of wildlife habitat. There is a drop in tax revenues even with in lieu payments because a farmer or other owner is no longer making regular purchases. The price paid per acre seems high; there is the possibility of payback with this system. Parks and wildlife lands are not maintained as well as they should be. Sometimes hunters and recreators are locked out of purchased lands. Lands should be in private ownership. We need to halt or slow down this trend of moving private lands into public ownership. Agencies are playing a classic shell game with these lands. Past land purchases have not curbed the appetite of some counties to buy more.

Testimony Against (original bill): There should be full funding for the WWRP. This is a good program. It is always willing buyer/willing seller. It is a program that is not regulatory in nature. It gives landowners an option to keep their land in perpetuity. The program is an opportunity to create a biological legacy. The state is growing quickly, and some of these areas will be lost to other uses. Delaying purchase makes the land more expensive in the future. The Washington Wildlife and Recreation Coalition satisfies the interests of all its diverse groups. Regulations for zoning or wetlands can be impositions on a private property owner; this program offers a true non-taking opportunity to acquire the most sensitive of lands and always from a willing seller. Cities are seeing a loss of open space. Surveys show that citizens want open space, trails, and want their urban forests protected. The program encourages regional coordination since the lands often traverse political boundaries. The program offers a rigorous process to objectively determine the highest priority lands for state and local agencies. It avoids pork barrel project funding. Removing this program would take us back to power plays instead of an objective process. The cost of the program is about equal to the costs of building one campus building. Much of the land purchased is not locked up but is in trees or is grazing land. Sales tax revenues are generated through outdoor recreation and tourism. The program

allows the state to take advantage of federal matching funds. This is one of the only state funding sources available for local agencies.

Testified: Representative Cathy McMorris, prime sponsor; K.O. Rosenberg, Northeast Tri-Counties; Michael McKee; Alan Stromberger, Washington Association of Wheat Growers; Bill Pickell, Washington Contract Loggers Association; Luke Baumann; Maxine Keesling; Randy Good, CMRT (all in favor); Elliot Marks, Washington Wildlife and Recreation Commission; Mason Browne, Washington Forest Protection Association; Chuck Tyler, Tacoma Sportsmens Club; Lee Springate, Director of Bellevue Parks; Donna Pietras, Audubon Society; Joe La Tourrette, Washington Wildlife Federation; and Leslie Betlach, City of Renton (all opposed).

HOUSE COMMITTEE ON CAPITAL BUDGET

Majority Report: The second substitute bill be substituted therefor and the second substitute bill do pass. Signed by 7 members: Representatives Sehlin, Chairman; Honeyford, Vice Chairman; Hankins; McMorris; Pennington; Silver and L. Thomas.

Minority Report: Do not pass. Signed by 6 members: Representatives Ogden, Ranking Minority Member; Chopp, Assistant Ranking Minority Member; Costa; Mitchell; Regala and Valle.

Staff: Karl Herzog (786-7271).

Summary of Recommendation of Committee on Capital Budget Compared to Recommendation of Committee on Natural Resources: The allocation of funding between the habitat conservation account and the outdoor recreation account is changed. Instead of depositing 13 percent of moneys allocated to the program into the habitat conservation account, and the remaining 87 percent into the outdoor recreation account, 20 percent of the moneys will be deposited into the habitat conservation account, and 80 percent will be deposited into the outdoor recreation account.

The provision prohibiting acquisition of lands for critical habitat and natural areas until July 1, 1997, unless a purchase contract with the landowner has been signed and is in effect on the effective date of the act is eliminated. Instead, all new moneys appropriated from the habitat conservation account in the 1995-97 biennium must be used to acquire and develop urban wildlife habitat. In effect, this new provision eliminates new Washington Wildlife and Recreation Program (WWRP) funding for critical habitat and natural area projects, while allowing previously authorized projects in these categories to move forward subject to reappropriation in the 1995-97 biennium.

Appropriation: None.

Fiscal Note: Not Requested.

Effective Date of Second Substitute Bill: The bill contains an emergency clause and takes effect immediately.

Testimony For: This bill refocuses state funds towards development and prudent management of lands currently owned by the state, rather than purchase of additional land. Forty-five percent of the state is already in public ownership. Twelve percent of the state is in permanent conservation status. Everyone living in the state is within a 45 minute drive of a forest. State capital resources are better spent on school and prison construction rather than land purchases. Prices paid for land under the WWRP are inflated. The state is already a poor manager of its lands, and further operating budget cuts are on the horizon. Much of WWRP land is sitting idle. Private lands can provide good wildlife habitat, and do not erode the economic and tax base. WWRP purchases predominately affect rural areas. Some WWRP purchases are part of larger acquisitions that use condemnation to acquire lands, even though WWRP funds may not be used for condemnation.

Testimony Against: This program purchases significant lands, under a willing-buyer, willing-seller relationship. The state pays the appraised price for properties. Additional land purchases are needed to prevent habitat conversion, including the loss of fish habitat. Regulations and tax incentives have only a limited ability to preserve habitat. Animals need homes. One acre of habitat preservation is equal to 10 acres of habitat restoration. Acquisitions are investments in the state's future. Eco-tourism is on the rise nationally. There is concern that Washington is being "California-ized." The current statutes allow the Legislature to delete specific projects from the list; this should be used rather than the bill. The bill would cripple projects currently underway, and would jeopardize federal and local matching funds. The natural world is a precious resource, and provides a teaching tool. Only 17 percent of original shrub-steppe habitat acreage remains in the state. The Department of Fish and Wildlife pays taxes in lieu of property taxes.

Testified: Representative Cathy McMorris, prime sponsor; Richard Welsh, citizen; Bill Pickell, WA Contract Loggers Association; K. O. Rosenburg, Northeast Tri-Counties; (all pro). Elliott Marks, WA Wildlife and Recreation Coalition; Bill Jacobs, WA Forest Protection Association; Frank Urabeck, Trout Unlimited; Sarah Wainwright, elementary school student; Peter Brooks, citizen; Martha Jordan, Trumpeter Swan Society; Steven Herman, Evergreen State College Faculty; and Greg Schirato, WA Association of Professional Biologists; (all con).