

HOUSE BILL REPORT

HB 1854

As Reported By House Committee On:

Agriculture & Ecology
Capital Budget

Title: An act relating to funding for conservation districts to address nonpoint source pollution water quality problems.

Brief Description: Funding conservation districts to address nonpoint source pollution water quality problems.

Sponsors: Representatives Chandler, Linville, Koster, Doumit, Grant, Lantz, Kessler, Hatfield, Schoesler, Honeyford and Sullivan.

Brief History:

Committee Activity:

Agriculture & Ecology: 2/17/97, 3/3/97 [DPS];
Capital Budget: 3/12/97 [DP2S(w/o sub AGECE)].

HOUSE COMMITTEE ON AGRICULTURE & ECOLOGY

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 11 members: Representatives Chandler, Chairman; Parlette, Vice Chairman; Schoesler, Vice Chairman; Linville, Ranking Minority Member; Anderson, Assistant Ranking Minority Member; Cooper; Delvin; Koster; Mastin; Regala and Sump.

Staff: Rick Anderson (786-7114).

Background: In 1986, the Legislature created the water quality account and funded it through sales taxes on cigarettes, tobacco, and water pollution control equipment through fiscal year 2021. Most of the funds available from the water quality account are appropriated to the Department of Ecology (DOE). The account generates approximately \$63 million to \$65 million per biennium. State law requires that the state general fund provide sufficient funds to ensure that the water quality account receives a total of \$90 million per biennium. The DOE uses a portion these funds to administer a competitive grant program for local government water quality projects.

From 1987 to 1995, the DOE was required to distribute water quality account funds appropriated to it using a statutory distribution formula. This distribution formula

expired on June 30, 1995. State law also directed that 2.5 percent of the amount distributed by the DOE be appropriated to the State Conservation Commission. The Commission used this appropriation to fund water pollution control activities conducted by local conservation districts.

Summary of Substitute Bill: For the next 10 years, \$5 million from the water quality account is dedicated to the state Conservation Commission each biennium. The commission must distribute these funds to local conservation districts to address nonpoint pollution problems. These funds may not be used to issue bonds. The distribution formulas for the prior biennia are deleted. The bill is subject to an emergency clause.

Substitute Bill Compared to Original Bill: The original bill appropriated \$10 million to the State Conservation Commission.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill contains an emergency clause and takes effect July 1, 1997.

Testimony For: Nonpoint pollution is considered to be the greatest threat to water quality but only 10 percent of water quality account funds are being used for nonpoint sources of pollution. Local conservation districts use funds very efficiently by using matching funds from other state and federal agencies and by using volunteers. Local conservation districts are very experienced in providing technical assistance to farmers for nonpoint pollution control measures.

Testimony Against: The water quality account grants have historically been awarded on a competitive basis. Allowing one entity to receive a large percentage of remaining grant funds is not prudent.

Testified: Linda Arcuri, Washington Association of Conservation Districts (pro); Ted Bottiger, Washington Association of Conservation Districts (pro); Brett Blankenship, Whitman County Association of Wheat Growers (pro); and Dick Dorsett, Pierce County and Washington Association of Counties (con).

HOUSE COMMITTEE ON CAPITAL BUDGET

Majority Report: The second substitute bill be substituted therefor and the second substitute bill do pass and do not pass the substitute bill by Committee on Agriculture & Ecology. Signed by 9 members: Representatives Sehlin, Chairman; Honeyford, Vice Chairman; Sullivan, Assistant Ranking Minority Member; Costa; Hankins; Koster; Lantz; Mitchell and D. Sommers.

Staff: Karl Herzog (786-7271).

Summary of Recommendation of Committee on Capital Budget Compared to Recommendation of Committee on Agriculture & Ecology: The \$5 million biennial appropriation is required to be made directly to the Conservation Commission, rather than passing through the Department of Ecology. The prohibition on issuing bonds using the funds is eliminated.

Appropriation: None.

Fiscal Note: Available for original bill. Not requested on second substitute bill.

Effective Date: The bill contains an emergency clause and takes effect July 1, 1997.

Testimony For: Two-thirds of water pollution comes from non-point sources, and conservation districts are in the best position to implement these projects. Conservation districts use volunteers. Conservation districts need continuity in funding.

Testimony Against: None.

Testified: Ted Bottiger and W. Jay Gordon, Washington Association of Conservation Districts (both pro).