

# HOUSE BILL REPORT

## 2SSB 5313

---

---

**As Passed House**

April 10, 1997

**Title:** An act relating to environmental mitigation projects.

**Brief Description:** Establishing the advanced environmental mitigation revolving fund.

**Sponsors:** Senate Committee on Ways & Means (originally sponsored by Senators Wood, Haugen and Prince; by request of Department of Transportation).

**Brief History:**

**Committee Activity:**

Transportation Policy & Budget: 4/2/97, 4/3/97 [DP].

**Floor Activity:**

Passed House: 4/10/97, 94-4.

---

### HOUSE COMMITTEE ON TRANSPORTATION POLICY & BUDGET

**Majority Report:** Do pass. Signed by 26 members: Representatives K. Schmidt, Chairman; Hankins, Vice Chairman; Mielke, Vice Chairman; Mitchell, Vice Chairman; Fisher, Ranking Minority Member; Blalock, Assistant Ranking Minority Member; Cooper, Assistant Ranking Minority Member; Backlund; Buck; Cairnes; Chandler; Constantine; DeBolt; Gardner; Hatfield; Johnson; O'Brien; Ogden; Radcliff; Robertson; Romero; Scott; Skinner; Sterk; Wood and Zellinsky.

**Minority Report:** Without recommendation. Signed by 1 member: Representative Murray.

**Staff:** Jennifer Joly (786-7305).

**Background:** During the design and construction of Department of Transportation (DOT) projects, efforts are made to avoid or minimize adverse impacts on the environment. When adverse impacts are unavoidable, they are mitigated during transportation project construction, within the project's boundaries (i.e., on-site). For example, when a transportation project requires the filling of a wetland, a new wetland is constructed.

Many times on-site conditions are not favorable for effective mitigation, particularly when transportation project timelines fail to allow for ideal site selection or development. However, other off-site locations within the watershed may be more

suitable or preferable for mitigation. A watershed approach— to environmental mitigation, which allows selection of sites within an entire water resource inventory area where a particular transportation project is located, promotes enhanced off-site mitigation.

Opportunities to share mitigation sites with other jurisdictions are lost since environmental mitigation is tied directly to project funds. Development of prospective, cost-effective, multijurisdictional environmental facilities is not possible when funds are appropriated for specific projects.

Where feasible, the DOT seeks to finance the acquisition and development of environmental mitigation sites prior to construction of specific transportation projects. To that end the DOT seeks to establish an advanced environmental mitigation revolving fund, patterned after its right of way revolving account. Using this fund, environmental mitigation sites needed in the foreseeable future would be purchased and developed with monies from the revolving fund. Then, when construction of a transportation project requiring use of the mitigation site begins, the fund would be replenished using dollars appropriated for the subject project.

**Summary of Bill:** The Advanced Environmental Mitigation Revolving Fund, which is not tied to programmed transportation projects, is created to finance the acquisition and development of environmental mitigation sites in advance of transportation project design and construction. To qualify for advanced environmental mitigation, DOT projects must be approved by the Transportation Commission as part of the state's six-year plan or be included in the state highway system plan. The fund retains 80 percent of its interest earnings.

Advanced environmental mitigation, including the acquisition and development of mitigation sites, may be conducted in partnership with federal, state or local government agencies, tribal governments, interest groups, or private parties.

When the DOT or any of its transportation partners proceeds with the construction of a transportation project that will use an advanced environmental mitigation site, the Advanced Environmental Mitigation Revolving Fund must be reimbursed with monies appropriated for the use of the site.

Every two years the DOT must report to the Legislative Transportation Committee and the Office of Financial Management regarding: (1) which advanced environmental mitigation sites were purchased and why; (2) what expenditures were made for the parcels; and (3) estimated savings.

**Appropriation:** None.

**Fiscal Note:** Available.

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

**Testimony For:** This revolving account is anticipated to achieve the same type of cost savings as the DOT right of way revolving account upon which this legislation is modeled. For an original investment of \$10 million in 1991, that account has achieved \$27 million worth of cost savings.

**Testimony Against:** None.

**Testified:** Jerry Alb, Department of Transportation.