
SENATE BILL 6661

State of Washington

55th Legislature

1998 Regular Session

By Senators Fraser, Spanel, Fairley, Jacobsen, Snyder, Thibaudeau, Franklin, Bauer, Wojahn, Kline, Patterson, Rasmussen, Heavey, Prentice, Haugen, Kohl and McAuliffe

Read first time 01/26/98. Referred to Committee on Ways & Means.

1 AN ACT Relating to funding salmon restoration; amending RCW
2 43.155.070; amending 1997 c 235 s 393 (uncodified); amending 1997 c 235
3 s 113 (uncodified); amending 1997 c 235 s 305 (uncodified); amending
4 1997 c 235 s 352 (uncodified); reenacting and amending RCW 43.155.050;
5 creating a new section; and making appropriations.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 NEW SECTION. **Sec. 1.** The legislature finds that the precipitous
8 decline of salmonid populations as well as recent and imminent listings
9 of many salmonid stocks under the federal endangered species act
10 requires an early and effective state response, including providing
11 financial assistance to fish propagation, habitat protection, and
12 habitat restoration projects directed to priority salmonid stocks. The
13 legislature finds that a comprehensive executive and legislative effort
14 is ongoing to develop a state-wide recovery strategy that will provide
15 a state funding mechanism to ensure that projects funded by the state
16 are targeted to priority salmon stocks consistent with the state-wide
17 recovery plan and that funding decisions are based upon sound science.
18 The legislature further finds that, while such a comprehensive funding
19 mechanism has not been implemented presently, the scientific salmon and

1 steelhead funding review panel authorized by chapter . . . , Laws of
2 1998 (Senate Bill No. . . .) (S-4145.1/98), will provide the
3 necessary criteria for priority setting and sound science in the
4 expenditure of funds appropriated for salmon recovery projects during
5 the current biennium.

6 It is therefore the purpose of this act to allocate state funding
7 from existing programs and appropriations for the purpose of priority
8 salmon stock recovery, and to make new appropriations for this purpose.
9 It is intended by this legislation that such funding be provided in a
10 manner that does not affect the level of funds that have been obligated
11 for projects from appropriations through the remainder of the current
12 biennium.

13 **Sec. 2.** 1997 c 235 s 393 (uncodified) is amended to read as
14 follows:

15 **FOR THE DEPARTMENT OF NATURAL RESOURCES**

16 **Jobs for the Environment (98-2-009)**

17 The appropriations in this section are subject to the following
18 conditions and limitations:

19 (1) The appropriations shall be used solely for the jobs for the
20 environment program to achieve the following goals:

21 (a) Restore and protect watersheds to benefit anadromous fish
22 stocks, consistent with the limitations of subsection (8) of this
23 section, including critical or depressed stocks as determined by the
24 department of fish and wildlife;

25 (b) Conduct watershed restoration and protection projects primarily
26 on state lands in coordination with federal, local, tribal, and private
27 sector efforts; and

28 (c) Create market wage jobs with benefits in environmental
29 restoration for displaced workers in rural natural resource impact
30 areas, as defined under RCW 43.31.601(2).

31 (2) Except as provided in subsection (5) of this section and
32 consistent with the limitations of this section, the appropriations are
33 solely for projects selected by the department of natural resources, in
34 consultation with an interagency task force consisting of the
35 department of fish and wildlife, other appropriate state agencies,
36 tribal governments, local governments, the federal government, labor
37 and other interested stakeholders. In recommending projects for
38 funding the task force shall use the following criteria:

39 (a) The extent to which the project, using best available science,
40 addresses habitat factors limiting fish and wildlife populations;

41 (b) The number, duration and quality of jobs to be created or
42 retained by the project for displaced workers in natural resource
43 impact areas;

44 (c) The extent to which the project will help avoid the listing of
45 threatened or endangered species or provides for the recovery of
46 species already listed;

47 (d) The extent to which the project will augment existing federal,
48 state, tribal or local watershed planning efforts or completed
49 watershed restoration and conservation plans;

- 1 (e) The cost effectiveness of the project;
 2 (f) The availability of matching funds; and
 3 (g) The demonstrated ability of the project sponsors to administer
 4 the project.

5 (3) Funds expended shall be used for specific projects and not for
 6 ongoing operational costs. Eligible projects include, but are not
 7 limited to, closure or improvement of forest roads, repair of culverts,
 8 cleanup of stream beds, removal of fish barriers, installation of fish
 9 screens, fencing of streams, and construction and planting of fish
 10 cover. Funds may also be expended for planning, design, engineering,
 11 and monitoring of eligible projects.

12 (4) The department of natural resources and the department of fish
 13 and wildlife, in consultation with the office of financial management
 14 and other appropriate agencies, shall report to the appropriate
 15 committees of the legislature by January 1, 1998, and January 1, 1999,
 16 on the results of expenditures from the appropriations.

17 (5) \$800,000 of the appropriations in this section is provided
 18 solely for watershed restoration programs to be completed by the
 19 department of ecology's Washington conservation corps crews.

20 (6) All projects funded under this section shall be consistent with
 21 any development regulations or comprehensive plans adopted under the
 22 growth management act for the project areas. No funds may be expended
 23 to acquire land through condemnation.

24 (7) Projects under contract as of June 1, 1997, shall be given
 25 first priority for funding under the appropriations in this section.

26 (8) All of the general fund--state appropriation and no less than
 27 twenty-five percent of the remainder of the appropriations under this
 28 section that have not been obligated as of March 1, 1998, shall be
 29 expended on projects for the recovery of priority salmonid stocks.
 30 Project funding decisions under this subsection shall utilize the
 31 recommendations of the scientific salmon and steelhead funding review
 32 panel provided under chapter . . . , Laws of 1998 (Senate Bill No.
 33) (S-4145.1/98).

34	Appropriation:	
35	For Dev Acct--State	\$ 500,000
36	Resource Management Cost	
37	Account--State	\$ 1,500,000
38	Water Quality Account--State	\$ 7,133,000
39		-----
40	Subtotal Appropriation	\$ 9,133,000
41	Prior Biennia (Expenditures)	\$ 23,067,000
42	Future Biennia (Projected Costs)	\$ 40,000,000
43		-----
44	TOTAL	\$ 72,200,000

45 **Sec. 3.** 1997 c 235 s 113 (uncodified) is amended to read as
 46 follows:

47 **FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

48 **Public works trust fund (94-2-001)**

49 The appropriation in this section is subject to the following
 50 conditions and limitations:

51 (1) \$15,646,000 of the reappropriation in this section is provided
 52 solely for the preconstruction program.

53 (2) Up to \$12,000,000 of the appropriation under this section may
 54 be spent for construction projects which have a substantial component

1 benefiting the recovery of priority salmonid stocks. This subsection
2 shall apply only to funds for bridge, road, domestic water, sanitary
3 sewer, and storm sewer projects.

4	Reappropriation:		
5	Public Works Assistance Account--		
6	State	\$	108,746,982
7	Appropriation:		
8	Public Works Assistance Account--		
9	State	\$	180,977,328
10	Prior Biennia (Expenditures)	\$	287,953,301
11	Future Biennia (Projected Costs)	\$	820,000,000
12			-----
13	TOTAL	\$	1,397,677,611

14 **Sec. 4.** RCW 43.155.050 and 1995 2nd sp.s. c 18 s 918 and 1995 c
15 376 s 11 are each reenacted and amended to read as follows:

16 The public works assistance account is hereby established in the
17 state treasury. Money may be placed in the public works assistance
18 account from the proceeds of bonds when authorized by the legislature
19 or from any other lawful source. Money in the public works assistance
20 account shall be used to make loans and to give financial guarantees to
21 local governments for public works projects. Moneys in the account may
22 also be appropriated to provide for state match requirements under
23 federal law for projects and activities conducted and financed by the
24 board under the drinking water assistance account. During the 1995-97
25 fiscal biennium, moneys in the public works assistance account may be
26 appropriated for transfer to the flood control assistance account to be
27 used for flood control assistance, including grants under chapter 86.26
28 RCW. To the extent that moneys in the public works assistance account
29 are not appropriated during the 1995-97 fiscal biennium for public
30 works or flood control assistance, the legislature may direct their
31 transfer to the state general fund. In awarding grants under chapter
32 86.26 RCW, the department of ecology shall give strong preference to
33 local governments that have: (1) Implemented, or are in the process of
34 implementing, an ordinance that establishes a flood plain policy that
35 is substantially more stringent than minimum federal requirements; (2)
36 completed a comprehensive flood control plan meeting the requirements
37 of RCW 86.12.200; or (3) constructed, or are in the process of
38 constructing, a system of overtopping dikes or levees that allow public
39 access.

40 During the 1997-99 fiscal biennium, moneys in the account, when
41 appropriated, may be used to provide for projects benefiting the
42 recovery of priority salmonid recovery stocks. The board may make

1 project decisions without having prior legislative approval, as noted
2 in RCW 43.155.070(6).

3 **Sec. 5.** RCW 43.155.070 and 1997 c 429 s 29 are each amended to
4 read as follows:

5 (1) To qualify for loans or pledges under this chapter the board
6 must determine that a local government meets all of the following
7 conditions:

8 (a) The city or county must be imposing a tax under chapter 82.46
9 RCW at a rate of at least one-quarter of one percent;

10 (b) The local government must have developed a long-term plan for
11 financing public works needs;

12 (c) The local government must be using all local revenue sources
13 which are reasonably available for funding public works, taking into
14 consideration local employment and economic factors; and

15 (d) Except where necessary to address a public health need or
16 substantial environmental degradation, a county, city, or town that is
17 required or chooses to plan under RCW 36.70A.040 must have adopted a
18 comprehensive plan in conformance with the requirements of chapter
19 36.70A RCW, after it is required that the comprehensive plan be
20 adopted, and must have adopted development regulations in conformance
21 with the requirements of chapter 36.70A RCW, after it is required that
22 development regulations be adopted.

23 (2) The board shall develop a priority process for public works
24 projects as provided in this section. The intent of the priority
25 process is to maximize the value of public works projects accomplished
26 with assistance under this chapter. The board shall attempt to assure
27 a geographical balance in assigning priorities to projects. The board
28 shall consider at least the following factors in assigning a priority
29 to a project:

30 (a) Whether the local government receiving assistance has
31 experienced severe fiscal distress resulting from natural disaster or
32 emergency public works needs;

33 (b) Whether the project is critical in nature and would affect the
34 health and safety of a great number of citizens;

35 (c) The cost of the project compared to the size of the local
36 government and amount of loan money available;

37 (d) The number of communities served by or funding the project;

1 (e) Whether the project is located in an area of high unemployment,
2 compared to the average state unemployment;

3 (f) Whether the project is the acquisition, expansion, improvement,
4 or renovation by a local government of a public water system that is in
5 violation of health and safety standards, including the cost of
6 extending existing service to such a system;

7 (g) The relative benefit of the project to the community,
8 considering the present level of economic activity in the community and
9 the existing local capacity to increase local economic activity in
10 communities that have low economic growth; and

11 (h) Other criteria that the board considers advisable.

12 (3) Existing debt or financial obligations of local governments
13 shall not be refinanced under this chapter. Each local government
14 applicant shall provide documentation of attempts to secure additional
15 local or other sources of funding for each public works project for
16 which financial assistance is sought under this chapter.

17 (4) Before November 1 of each year, the board shall develop and
18 submit to the appropriate fiscal committees of the senate and house of
19 representatives a description of the loans made under RCW 43.155.065,
20 43.155.068, and subsection (7) of this section during the preceding
21 fiscal year and a prioritized list of projects which are recommended
22 for funding by the legislature, including one copy to the staff of each
23 of the committees. The list shall include, but not be limited to, a
24 description of each project and recommended financing, the terms and
25 conditions of the loan or financial guarantee, the local government
26 jurisdiction and unemployment rate, demonstration of the jurisdiction's
27 critical need for the project and documentation of local funds being
28 used to finance the public works project. The list shall also include
29 measures of fiscal capacity for each jurisdiction recommended for
30 financial assistance, compared to authorized limits and state averages,
31 including local government sales taxes; real estate excise taxes;
32 property taxes; and charges for or taxes on sewerage, water, garbage,
33 and other utilities.

34 (5) The board shall not sign contracts or otherwise financially
35 obligate funds from the public works assistance account before the
36 legislature has appropriated funds for a specific list of public works
37 projects. The legislature may remove projects from the list
38 recommended by the board. The legislature shall not change the order
39 of the priorities recommended for funding by the board.

1 (6) Subsection (5) of this section does not apply to loans made
2 under RCW 43.155.065, 43.155.068, salmonid recovery loans made under
3 RCW 43.155.050, and subsection (7) of this section.

4 (7)(a) Loans made for the purpose of capital facilities plans shall
5 be exempted from subsection (5) of this section. In no case shall the
6 total amount of funds utilized for capital facilities plans and
7 emergency loans exceed the limitation in RCW 43.155.065.

8 (b) For the purposes of this section "capital facilities plans"
9 means those plans required by the growth management act, chapter 36.70A
10 RCW, and plans required by the public works board for local governments
11 not subject to the growth management act.

12 (8) To qualify for loans or pledges for solid waste or recycling
13 facilities under this chapter, a city or county must demonstrate that
14 the solid waste or recycling facility is consistent with and necessary
15 to implement the comprehensive solid waste management plan adopted by
16 the city or county under chapter 70.95 RCW.

17 **Sec. 6.** 1997 c 235 s 305 (uncodified) is amended to read as
18 follows:

19 **FOR THE DEPARTMENT OF ECOLOGY**

20 **Centennial clean water fund (86-2-007)**

21 The appropriations in this section are subject to the following
22 conditions and limitations:

23 (1) \$25,000,000 of the appropriation is provided solely for the
24 extended grant payment to Metro/King county.

25 (2) \$10,000,000 of the appropriation is provided solely for an
26 extended grant payment to Spokane for the Spokane-Rathdrum Prairie
27 aquifer.

28 (3) \$1,850,000 of the appropriation is provided solely for
29 allocation for on-site sewage system projects or programs identified in
30 local watershed plans. Of this amount, \$25,000 is provided solely for
31 the Puyallup Washington state university research and extension center
32 for on-site septic systems, and \$25,000 is provided solely for the
33 department of health to support the work group making recommendations
34 on the development of an on-site septic system certification program
35 pursuant to Substitute Senate Bill No. 5838.

36 (4) \$10,000,000 of the appropriation is provided for the department
37 to establish and administer a reclaimed water demonstration program to
38 provide grants to five demonstration projects consistent with this
39 section(~~(7)~~) and(~~(7-if enacted)~~) chapter 355, Laws of 1997. Of this
40 amount:

41 (a) \$100,000 is provided solely for an interagency agreement with
42 the department of health for monitoring the activities and progress of
43 the demonstration projects and to refine reclaimed water standards from
44 the results of the projects;

45 (b) \$75,000 is provided for the department of ecology's
46 administrative costs in funding and monitoring the activities and
47 progress of the demonstration projects;

1 (c) \$1,970,000 is provided solely for a grant to the city of
2 Ephrata for a reclaimed water demonstration project;

3 (d) \$985,000 is provided solely for a grant to the city of Royal
4 City for a reclaimed water demonstration project;

5 (e) \$3,398,500 is provided solely for a grant to the city of Sequim
6 for a reclaimed water demonstration project;

7 (f) \$3,398,500 is provided solely for a grant to the city of Yelm
8 for a reclaimed water demonstration project; and

9 (g) \$98,500 is provided solely for a grant to Lincoln county for a
10 study of a reclaimed water demonstration project.

11 (5) A minimum of 80 percent of the remaining appropriation after
12 allocation of subsections (1), (2), (3), and (4) of this section shall
13 be allocated by the department for water quality implementation
14 activities.

15 (6) A maximum of 20 percent of the remaining appropriation after
16 allocation of subsections (1), (2), (3), and (4) of this section shall
17 be allocated by the department for water quality planning activities.

18 (7) In awarding state-wide water quality implementation and
19 planning grants and loans, the department shall ~~((give priority
20 consideration to))~~:

21 (a) ~~((Proposals))~~ Give priority consideration to proposals
22 submitted by communities with populations less than 2,500 or proposals
23 that will be submitted by communities with populations less than 2,500
24 who have demonstrated an economic hardship which will prevent the
25 completion or implementation of water quality projects; and

26 (b) ~~((Projects located in basins with critical or depressed
27 salmonid stocks))~~ Allocate no less than twenty-five percent of the
28 amount which has not been obligated as of March 1, 1998, for projects
29 otherwise eligible under the water quality account and which have a
30 component benefiting the recovery of priority salmonid stocks. Project
31 funding decisions under this subsection shall utilize the
32 recommendations of the scientific salmon and steelhead funding review
33 panel provided under chapter . . . , Laws of 1998 (Senate Bill No.
34) (S-4145.1/98).

35 (8) The reappropriation in this section is provided solely for
36 projects under contract on or before June 30, 1997. Reappropriated
37 funds not associated with contracted projects shall lapse on June 30,
38 1997. The office of financial management may grant waivers from this
39 subsection (8) for specific projects upon findings of exceptional
40 circumstances after notification of the chairs of the house of
41 representatives capital budget committee and senate ways and means
42 committee. The department shall submit a report to the office of
43 financial management and the house of representatives capital budget
44 committee and senate ways and means committee by December 1, 1997,
45 listing all projects funded from the reappropriation in this section.

46	Reappropriation:		
47	Water Quality Account--State \$	38,653,000
48	Appropriation:		
49	Water Quality Account--State \$	70,000,000
50	Prior Biennia (Expenditures) \$	291,063,221
51	Future Biennia (Projected Costs) \$	311,000,000
52			-----
53	TOTAL \$	710,716,221

54 **Sec. 7.** 1997 c 235 s 352 (uncodified) is amended to read as
55 follows:

1 FOR THE DEPARTMENT OF FISH AND WILDLIFE

2 Coast and Puget Sound wild salmonid habitat restoration (98-1-009)

3 No less than twenty-five percent of that portion of the
4 appropriation under this section that has not been obligated as of
5 March 1, 1998, shall be expended on projects for the recovery of
6 priority salmonid stocks. Project funding decisions under this section
7 shall utilize the recommendations of the scientific salmon and
8 steelhead funding review panel provided under chapter . . . , Laws of
9 1998 (Senate Bill No.) (S-4145.1/98).

10	Reappropriation:		
11	St Bldg Constr Acct--State	\$	1,428,770
12	Appropriation:		
13	General Fund--Federal	\$	800,000
14	General Fund--Private/Local	\$	800,000
15	St Bldg Constr Acct--State	\$	3,500,000
16			-----
17	Subtotal Appropriation	\$	5,100,000
18	Prior Biennia (Expenditures)	\$	8,986,230
19	Future Biennia (Projected Costs)	\$	22,400,000
20			-----
21	TOTAL	\$	37,915,000

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