

1 **SHB 1785 - H AMD 0053 ADOPTED 3/13/01**

2 By Representative Murray

3 Strike everything after the enacting clause and insert the
4 following:

5 "NEW SECTION. **Sec. 1.** The legislature finds that the amount of
6 overall requests for funding for natural resource-related programs in
7 the capital budget has been steadily growing. The legislature also
8 finds that there is an increasing interest by the public in examining
9 the performance of the projects and programs to determine the return on
10 their investments and that a coordinated and integrated response by
11 state agencies will allow for better targeting of resources. The
12 legislature further finds that there is a need to improve the data and
13 the integration of data that is collected by state agencies and grant
14 and loan recipients in order to better measure the outcomes of projects
15 and programs. The legislature intends to begin implementing the
16 recommendations contained in the joint legislative audit and review
17 committee's report number 01-1 on investing in the environment in order
18 to improve the efficiency, effectiveness, and accountability of these
19 natural resource-related programs funded in the state capital budget.

20 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.41 RCW
21 to read as follows:

22 (1) The office of financial management shall assist natural
23 resource-related agencies in developing outcome focused performance
24 measures for administering natural resource-related and environmentally
25 based grant and loan programs. These performance measures are to be
26 used in determining grant eligibility, for program management and
27 performance assessment.

28 (2) The office of financial management and the governor's salmon
29 recovery office shall assist natural resource-related agencies in
30 developing recommendations for a monitoring program to measure outcome
31 focused performance measures required by this section.

32 (3) Natural resource agencies shall consult with grant or loan
33 recipients including local governments, tribes, nongovernmental
34 organizations, and other interested parties, and report to the office
35 of financial management on the implementation of this section. The

1 office of financial management shall report to the natural resource and
2 fiscal committees of the legislature on the agencies' implementation of
3 this section, including any necessary changes in current law, and
4 funding requirements by July 31, 2002. Natural resource agencies shall
5 assist the office of financial management in preparing the report,
6 including complying with timeframes for submitting information
7 established by the office of financial management.

8 (4) For purposes of this section, "natural resource-related
9 agencies" include the department of ecology, the department of natural
10 resources, the state conservation commission, the interagency committee
11 for outdoor recreation, the salmon recovery funding board, and the
12 public works board within the department of community, trade, and
13 economic development.

14 (5) For purposes of this section, natural resource-related
15 environmentally based grant and loan programs- include the conservation
16 reserve enhancement program; dairy nutrient management grants under
17 chapter 90.64 RCW; state conservation commission water quality grants
18 under chapter 89.08 RCW; coordinated prevention grants, public
19 participation grants and remedial action grants under RCW 70.105D.070;
20 water pollution control facilities financing under chapter 70.146 RCW;
21 aquatic lands enhancement grants under RCW 79.24.580; habitat grants
22 under the Washington wildlife and recreation program under RCW
23 79A.15.040; salmon recovery grants under chapter 77.85 RCW; and the
24 public work trust fund program under chapter 43.155 RCW.

25 NEW SECTION. Sec. 3. A new section is added to chapter 89.08 RCW
26 to read as follows:

27 In administering grant programs to improve water quality and
28 protect habitat, the commission shall require grant recipients to
29 incorporate the environmental benefits of the project into their grant
30 applications, and the commission shall utilize the statement of
31 environmental benefit in its grant prioritization and selection
32 process. The commission shall also develop appropriate outcome focused
33 performance measures to be used both for management and performance
34 assessment of the grant program. The commission shall work with the
35 districts to develop uniform performance measures across participating
36 districts. To the extent possible, the commission should coordinate its
37 performance measure system with other natural resource-related

1 agencies. The commission shall consult with affected interest groups in
2 implementing this section.

3 NEW SECTION. **Sec. 4.** A new section is added to chapter 90.64 RCW
4 to read as follows:

5 In providing grants to dairy producers, districts shall require
6 grant applicants to incorporate the environmental benefits of the
7 project into their applications, and the districts shall utilize the
8 statement of environmental benefit in their prioritization and
9 selection process. The districts shall also develop appropriate
10 outcome focused performance measures to be used both for management and
11 performance assessment of the program. The commission shall work with
12 the districts to develop uniform performance measures across
13 participating districts. To the extent possible, the commission should
14 coordinate its performance measure system with other natural resource-
15 related agencies. The commission shall consult with affected interest
16 groups in implementing this section.

17 NEW SECTION. **Sec. 5.** A new section is added to chapter 70.105D RCW
18 to read as follows:

19 In providing grants to local governments, the department shall
20 require grant recipients to incorporate the environmental benefits of
21 the project into their grant applications, and the department shall
22 utilize the statement of environmental benefit in its prioritization
23 and selection process. The department shall also develop appropriate
24 outcome focused performance measures to be used both for management and
25 performance assessment of the grant program. To the extent possible,
26 the department should coordinate its performance measure system with
27 other natural resource-related agencies. The department shall consult
28 with affected interest groups in implementing this section.

29 NEW SECTION. **Sec. 6.** A new section is added to chapter 70.146 RCW
30 to read as follows:

31 In providing grants and loans to local governments, the department
32 shall require recipients to incorporate the environmental benefits of
33 the project into their applications, and the department shall utilize
34 the statement of environmental benefits in its grant and loan
35 prioritization and selection process. The department shall also develop

1 appropriate outcome focused performance measures to be used both for
2 management and performance assessment of the grant and loan program. To
3 the extent possible, the department should coordinate its performance
4 measure system with other natural resource-related agencies. The
5 department shall consult with affected interest groups in implementing
6 this section.

7 **Sec. 7.** RCW 79.24.580 and 1999 c 309 s 919 are each amended to read
8 as follows:

9 After deduction for management costs as provided in RCW 79.64.040
10 and payments to towns under RCW 79.92.110(2), all moneys received by
11 the state from the sale or lease of state-owned aquatic lands and from
12 the sale of valuable material from state-owned aquatic lands shall be
13 deposited in the aquatic lands enhancement account which is hereby
14 created in the state treasury. After appropriation, these funds shall
15 be used solely for aquatic lands enhancement projects; for the
16 purchase, improvement or protection of aquatic lands for public
17 purposes; for providing and improving access to such lands; and for
18 volunteer cooperative fish and game projects.

19 In providing grants for aquatic lands enhancement projects, the
20 department shall require grant recipients to incorporate the
21 environmental benefits of the project into their grant applications,
22 and department shall utilize the statement of environmental benefits in
23 its prioritization and selection process. The department shall also
24 develop appropriate outcome focused performance measures to be used
25 both for management and performance assessment of the grants. To the
26 extent possible, the department should coordinate its performance
27 measure system with other natural resource-related agencies. The
28 department shall consult with affected interest groups in implementing
29 this section.

30 During the fiscal biennium ending June 30, 2001, the funds maybe
31 appropriated for boating safety, shellfish management, enforcement, and
32 enhancement and for developing and implementing plans for population
33 monitoring and restoration of native wild salmon stock.

34 NEW SECTION. **Sec. 8.** A new section is added to chapter 79A.15 RCW
35 to read as follows:

1 In providing grants through the habitat conservation account, the
2 committee shall require grant applicants to incorporate the
3 environmental benefits of the project into their grant applications,
4 and the committee shall utilize the statement of environmental benefits
5 in the grant application and review process. The committee shall also
6 develop appropriate outcome focused performance measures to be used
7 both for management and performance assessment of the grant program. To
8 the extent possible, the department should coordinate its performance
9 measure system with other natural resource-related agencies. The
10 committee shall consult with affected interest groups in implementing
11 this section.

12 NEW SECTION. **Sec. 9.** A new section is added to chapter 77.85 RCW
13 to read as follows:

14 In providing funding for habitat projects, the board shall require
15 recipients to incorporate the environmental benefits of the project
16 into their grant applications, and the board shall utilize the
17 statement of environmental benefits in its prioritization and selection
18 process. The board shall also develop appropriate outcome focused
19 performance measures to be used both for management and performance
20 assessment of the grant program. To the extent possible, the board
21 should coordinate its performance measure system with other natural
22 resource-related agencies. The board shall consult with affected
23 interest groups in implementing this section.

24 NEW SECTION. **Sec. 10.** A new section is added to chapter 43.155
25 RCW to read as follows:

26 In providing loans for public works projects, the board shall
27 require recipients to incorporate the environmental benefits of the
28 project into their applications, and the board shall utilize the
29 statement of environmental benefits in its prioritization and selection
30 process. The board shall also develop appropriate outcome focused
31 performance measures to be used both for management and performance
32 assessment of the loan program. To the extent possible, the department
33 should coordinate its performance measure system with other natural
34 resource-related agencies. The board shall consult with affected
35 interest groups in implementing this section."

36 Correct the title.

EFFECT: The requirement that the Office of Financial Management (OFM), in consultation with natural resource related state agencies, develop a plan to implement the recommendations of the JLARC report on Investing in the Environment is removed. Instead, OFM is required to assist natural resource agencies in developing outcome focused performance measures to be used in administering natural resource-related grant and loan programs. Natural resource related grant and loan applicants are required to incorporate a description of the environmental benefits of projects into their grant or loan applications, and these must be considered by the agency in the priority and selection process. Administering agencies should coordinate with other grant programs on developing a performance measure system with other natural resource agencies and OFM. OFM is to report on the implementation of this effort to the Legislature by July 31, 2002, and, along with the Salmon Recovery Office, is to assist agencies in making recommendations related to a monitoring program to measure outcome focused performance measures.