# Washington State House of Representatives Office of Program Research

## BILL ANALYSIS

## Agriculture & Natural Resources Committee

## **HB 2238**

**Brief Description**: Regarding wetlands mitigation.

**Sponsors**: Representatives Wilcox, Clibborn, Armstrong, Billig, Takko, Rivers, Angel, Hinkle, Schmick, Orcutt, Johnson, Warnick, Dahlquist, Blake and Chandler.

### **Brief Summary of Bill**

• Creates a separate account to accept optional payments from wetland mitigation project proponents that are to be used to fund existing state programs that forward the enhancement or preservation of aquatic or riparian resources.

Hearing Date: 1/17/12

Staff: Jason Callahan (786-7117).

#### Background:

Both the state and federal governments require a proponent of a project that will diminish the function of an existing wetland to mitigate that loss of function. This duty is called compensatory wetland mitigation. The project proponent has a number of options available to him or her for mitigating wetland loss; however, any mitigation plan must be approved by the state (primarily through the Department of Ecology) and the United States Army Corps of Engineers.

Projects that disturb wetlands are expected to undergo a sequencing review. Actual compensation for wetland loss does not occur unless the loss cannot be avoided or minimized through project planning. Once mitigation requirements are triggered, a project proponent must develop a mitigation plan that either restores the damaged wetland, creates new wetland functions at a new site, enhances an existing wetland, or preserves an at-risk wetland.

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### **Summary of Bill:**

The Riparian and Aquatic Resources Enhancement (RARE) Account is created to be administered by the Forest Practices Board (Board). In addition to donations and legislative appropriations, the RARE Account's primary source of revenue is payments made by those required to mitigate for the loss of wetlands. Making a payment to the RARE Account is one option available for wetland mitigation. The RARE Account payment may, with the consent of the appropriate regulatory agency, represent all of or a portion of a project's wetland mitigation obligations and may be made in one lump sum or in timed payments. The project proponent may decide to satisfy some of a project's wetland mitigation obligations through payments to the RARE Account; however, RARE Account payment cannot be mandated.

The revenue in the RARE Account must be used as contributing or additive funds for existing state programs that forward the enhancement or preservation of aquatic or riparian resources. These programs include the Forestry Riparian Easement Program, cost assistance for small forest landowners to repair forest roads, riparian and open space conservation easements, and incentives to promote landowner conservation measures.

The Board has the responsibility of pairing payments from the RARE Account with qualifying programs and with projects that satisfy the guidance for wetland mitigation projects. When practicable, the Board must dedicate funding from the RARE Account proportionately to watersheds based on the amount of RARE Account funding that was provided by project proponents in each watershed.

**Appropriation**: None.

Fiscal Note: Available

**Effective Date**: The bill takes effect 90 days after adjournment of the session in which the bill is passed.