

HOUSE BILL REPORT

SSB 6227

As Passed House - Amended:

March 2, 2016

Title: An act relating to implementing the recommendations of the 2015 review of the Washington wildlife and recreation program.

Brief Description: Implementing the recommendations of the 2015 review of the Washington wildlife and recreation program.

Sponsors: Senate Committee on Natural Resources & Parks (originally sponsored by Senators Honeyford, Keiser, Rolfes, Conway, Ranker, McAuliffe, Mullet and Chase; by request of Recreation and Conservation Office).

Brief History:

Committee Activity:

Capital Budget: 2/19/16, 2/29/16 [DPA].

Floor Activity:

Passed House - Amended: 3/2/16, 77-20.

Brief Summary of Substitute Bill (As Amended by House)

- Modifies a portion of the current Washington Wildlife and Recreation Program (WWRP) account structure.
- Shifts funding allocation among the WWRP accounts, as well as within the Habitat Conservation Account and Outdoor Recreation Account.
- Changes some WWRP eligibility and application processes.
- Modifies allowable costs and management requirements under the WWRP.

HOUSE COMMITTEE ON CAPITAL BUDGET

Majority Report: Do pass as amended. Signed by 9 members: Representatives Tharinger, Chair; Stanford, Vice Chair; DeBolt, Ranking Minority Member; Smith, Assistant Ranking Minority Member; Kilduff, Kochmar, Peterson, Riccelli and Walsh.

Staff: Christine Thomas (786-7142).

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Background:

Established Program and Accounts.

The Washington Wildlife and Recreation Program (WWRP) was established in 1990 to provide capital budget funding in the form of grants for the acquisition and development of land for outdoor recreation and habitat conservation. Initially, the WWRP consisted of two accounts: the Habitat and Conservation Account (HCA) and the Outdoor Recreation Account (ORA). Appropriations made for the WWRP were allocated equally between the two accounts. In 2005 legislation created the Riparian Protection Account (RPA) and the Farmland Preservation Account (FPA) and established a statutory formula that allocates appropriated funds to the four accounts.

Grant Application Process.

The statute provides rule-making, grant review, and prioritization authority to the Recreation and Conservation Funding Board (RCFB), which is administered by the Recreation and Conservation Office (RCO). Project applications are submitted by eligible recipients to the RCO in 11 categories including, for example, critical habitat, natural areas, and urban wildlife within the HCA and local parks, trails, and water access within the ORA, as well as riparian protection and farmland preservation. The applications are reviewed and evaluated by the RCO staff and panels of experts. The RCFB considers and then approves a ranked list of projects that is submitted to the Governor and the Legislature for inclusion in the capital budget. Typical projects receiving grant funds include protecting wildlife habitat and recreation opportunities, renovating community parks, developing regional trails, restoring state lands, and protecting farmland.

Eligibility and Match Requirements.

Eligible recipients include state agencies, local governments, Native American tribes, and nonprofit entities (farmland preservation and riparian protection categories only). Local governments, Native American tribes, and nonprofit entities must provide 50 percent match of the total project costs.

2015 Washington Wildlife and Recreation Program Review.

A proviso in the 2015-17 Capital Budget directed the RCO to convene and facilitate a stakeholder process to review and make recommendations on the WWRP. The RCO submitted a report to the Legislature in December 2015, which includes background on the WWRP project funding, a summary of the review process, and a series of statutory and administrative recommendations.

Summary of Amended Bill:

The Washington Wildlife and Recreation Program Account Structure.

Several modifications are made to the WWRP's account structure including creating a new riparian protection funding category within the HCA. The bill also renames the FPA as the Farm and Forests Account (FFA), with 90 percent of funds dedicated to farmland preservation projects and 10 percent for projects on forest land.

Allocations Among Washington Wildlife and Recreation Program Accounts.

The allocation among the WWRP accounts is modified from a structure that varies based on the appropriation level to a structure that provides 45 percent to the ORA, 45 percent to the HCA, and 10 percent to the FFA, regardless of the appropriated amount. The chart below compares the appropriated allocations for the WWRP accounts per RCW 79A.15.030 with the proposed allocation in Substitute Senate Bill (SSB) 6227.

RCW 79A.15.030	SSB 6227
Appropriations of \$40 million or less are allocated as follows: <ul style="list-style-type: none"> • 50 percent - HCA • 50 percent - ORA 	Appropriations at all levels are allocated as follows: <ul style="list-style-type: none"> • 45 percent - HCA • 45 percent - ORA • 10 percent - FFA
Appropriations over \$40 million are allocated as follows: <ul style="list-style-type: none"> • \$20 million - HCA • \$20 million - ORA • amounts between \$40 million and \$50 million are allocated as follows: <ul style="list-style-type: none"> • 10 percent - HCA • 10 percent - ORA • 40 percent - RPA • 40 percent - FPA • amounts over \$50 million are allocated as follows: <ul style="list-style-type: none"> • 30 percent - HCA • 30 percent - ORA • 30 percent - RPA • 10 percent - FPA 	

Shifts Allocation Within the Habitat and Conservation Account.

An additional funding category is established for riparian habitat within the HCA, and the percentage of funding for state lands restoration and enhancement is increased. The percentage of funding for each of the remaining categories decreases. The chart below shows the allocations for the HCA per RCW 79A.15.040 with the shifts in the proposed allocation in SSB 6227.

RCW 79A.15.040	SSB 6227
Allocations within the HCA are allocated as follows: <ul style="list-style-type: none"> • 45 percent - critical habitat • 30 percent - natural areas • 20 percent - urban wildlife habitat • 5 percent - state lands restoration and enhancement (Department of Fish and Wildlife (DFW) and Department of Natural Resources (DNR)) 	Allocations within the HCA are allocated as follows: <ul style="list-style-type: none"> • 35 percent - critical habitat • 25 percent - natural areas • 15 percent - riparian habitat • 15 percent - urban wildlife habitat • lesser of 10 percent or \$3 million for state lands restoration and enhancement (the DFW, the DNR, and State Parks and Recreation Commission (State Parks)). Amounts in excess of \$3 million are for riparian habitat.

Allocations Within the Outdoor Recreation Account.

The percentage of funds for state recreational lands within the ORA is increased by 5 percent, while the amount for water access sites is decreased by 5 percent. The chart below shows the allocations for the HCA per RCW 79A.15.050 with the shifts in the proposed allocation in SSB 6227.

RCW 79A.15.050	SSB 6227
<p>Allocations within the ORA are allocated as follows:</p> <ul style="list-style-type: none"> • 30 percent - State Parks, at least 50 percent for acquisition • 30 percent - local parks, at least 50 percent for acquisition • 20 percent - trails • 15 percent - water access sites • 5 percent - state recreational lands (the DFW and (the DNR) 	<p>Allocations within the ORA are allocated as follows:</p> <ul style="list-style-type: none"> • 30 percent - State Parks, 40-50 percent for acquisition • 30 percent - local parks, 40-50 percent for acquisition • 20 percent - trails • 10 percent - water access sites • lesser of 10 percent or \$3 million for state recreational lands (the DFW, the DNR, and the State Parks). Amounts in excess of \$3 million are for water access sites.

Washington Wildlife and Recreation Program Eligibility and Application Processes.

The bill makes modifications to increase eligibility for new applicants in several categories, such as:

- expanding eligibility for nonprofit nature conservancies within the HCA to include the natural areas, critical habitat, and urban wildlife habitat categories;
- allowing State Parks to apply for funding from the restoration and enhancement category within the HCA, in addition to the DFW and the DNR; and
- allowing other state agencies not eligible to apply for the WWRP funds, such as the Department of Transportation or the Department of Corrections, to enter into interagency agreements with eligible state agencies to apply in partnership for riparian protection funds.

The bill also makes modifications to the application and scoring processes including:

- directing the RCFB to consider multiple benefits provided by a project when setting acquisition priorities for the HCA, meaning the projects are compatible with habitat conservation or provide additional conservation benefits;
- directing the RCFB to consider maintenance and operating costs, and whether conservation easements can be used to meet the purposes for the project when setting acquisition priorities for the HCA;
- setting priorities for forest land projects including community support, likelihood of conversion of the site to nontimber or highly developed use, consistency with local land use plans, and existence of multiple benefits; and
- specifying that in addition to reviewing an application with the appropriate local governments, applicants must also confer with them on such matters as project purpose and scope, project elements and costs, and benefits to the community, for the purpose of early review of potential projects.

Allowable Costs and Management Requirements.

The bill modifies allowable costs and management requirements under the WWRP by:

- adding noxious weed control to allowable incidental costs paid from the HCA grants for land acquisitions, in addition to currently authorized costs such as fencing and surveying;
- specifying that development, recreational access, or fee simple acquisition projects must be accessible for recreation and outdoor education, unless the RCFB approves limitation to protect sensitive species, water quality, or public safety; and
- allowing the RCFB to waive a local match for projects that meet the needs of an underserved population or a community in need, as defined by the RCFB.

Implementing Provisions.

The bill includes new and modified definitions and provisions for implementing the revised WWRP, including:

- making changes to allocations under the WWRP to be effective for appropriations after July 1, 2016;
- making nonprofit nature conservancies eligible for new categories for projects submitted in 2016;
- giving the RCFB until November 2017 to implement and develop the new program for forest lands;
- requiring full implementation beginning in the 2019-21 Capital Budget cycle; and
- adding an emergency clause.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Amended Bill: The bill contains an emergency clause and takes effect immediately.

Staff Summary of Public Testimony:

(In support) The bill makes good fine tuning changes to a great program. The process was extensive and the RCO is to be congratulated for the outreach and involvement facilitated by the RCO to bring the recommendations and this bill forward. The simplified allocation formula is more straight forward. The bill provides for reduced match requirements for underserved communities and communities hit by emergencies that makes sense. The bill ensures that state agencies must go through the same due diligence in applying for projects that local governments must go through in the program. The bill includes a few minor differences from the bill that passed out of the House Capital Budget Committee. There is support for all of the amendments and language changes in both the Senate version and the House of Representative's version to align the two bills into one vehicle to make the recommended changes to the WWRP. In order to preserve funding for RPA projects, the section repealing the account should be removed.

(Opposed) None.

Persons Testifying: Kaleen Cottingham, Recreation and Conservation Office; Andrea McNamara-Doyle, Washington Wildlife and Recreation Coalition; and Doug Levy, Washington Recreation and Parks Association.

Persons Signed In To Testify But Not Testifying: None.