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HOUSE BILL 2850

State of Washington 66th Legislature 2020 Regular Session

By Representatives Lekanoff, Gildon, Ortiz-Self, Wylie, Pollet, Peterson, Gregerson, Fitzgibbon, Valdez, and Tarleton

Read first time 01/27/20. Referred to Committee on State Government & Tribal Relations.

AN ACT Relating to protecting archaeological and cultural sites by state and local governments and all recipients of state funding; amending RCW 27.53.090, 43.88.030, 43.63A.125, and 43.155.075; adding a new section to chapter 27.53 RCW; adding a new section to chapter 39.04 RCW; adding a new section to chapter 39.10 RCW; and creating a new section.

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

NEW SECTION. Sec. 1. The legislature finds that Washington has a rich and diverse cultural heritage, as represented by the numerous archaeological and cultural sites that have been identified and located throughout our state, and that preservation of these sites is of critical importance to the tribes whose lands and people live and travel in this territory that became the state of Washington. In addition, these important sites provide educational and cultural values and lead to a better understanding between cultures of the region. Many people in Washington contribute their time and efforts to preserve and protect unique archaeological sites and traditional cultural places, and these sites and places hold special cultural, historical, and spiritual significance. The legislature therefore intends to require recipients of state funds to consult with tribes

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- 1 before engaging in any groundbreaking activity that may impact such
- 2 archaeological and cultural sites.`

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- 3 <u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 27.53 4 RCW to read as follows:
 - (1) Before the commencement of a project that is funded by the state, in whole or in part, that requires groundbreaking activity, the project must be reviewed by the department and interested federally recognized tribes to determine whether it may potentially impact archaeological and cultural sites. The review should be done as early in the project planning process as possible. As part of the review, the agency or organization leading the project must:
- 12 (a) Coordinate with the governor's office of Indian affairs and 13 the department to notify the governing bodies of federally recognized 14 tribes of the proposed groundbreaking activity;
 - (b) Consult with federally recognized tribes who have responded to the notification and expressed an interest in finding an agreed-upon means to protect archaeological and cultural sites. The consultation must occur before the project design is completed. If necessary, the department may assist in arranging a meeting to discuss the project;
 - (c) Work with the department and interested federally recognized tribes on an appropriate archaeological survey and develop strategies for the protection of archaeological and cultural sites consistent with state and federal laws and with those laws of the interested federally recognized tribes;
 - (d) Take reasonable action to avoid adverse impacts to the archaeological and cultural sites during the consultation process; and
- (e) Notify the department and the governor's office of Indian affairs, by certified letter, of the progress of the review within thirty days of the first attempt to notify the governing bodies of federally recognized tribes of the proposed groundbreaking activity. The letter must:
- 34 (i) Indicate whether or not any interested federally recognized 35 tribes responded to the notification;
- 36 (ii) Include what meetings have occurred under (b) of this 37 subsection; and

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- 1 (iii) Summarize the progress of the review, including whether or 2 not an agreement on how to protect archaeological and cultural sites 3 has been reached.
- 4 (2) This section does not apply to projects that are subject to 5 federal review for protection of historic properties under section 6 106 of the national historic preservation act of 1966 (54 U.S.C. Sec. 7 306108).
- 8 (3) This section is not subject to the penalties outlined under 9 RCW 27.53.090.
- 10 (4) State agencies must take steps to ensure that the 11 requirements in this section are incorporated into their grant and 12 loan management guidelines.
 - (5) For purposes of this section:

- 14 (a) "Consult" means to engage in a discussion in a face-to-face 15 meeting or another manner designated by the interested federally 16 recognized tribe.
- 17 (b) "Cultural site" means a place of importance to an interested 18 federally recognized tribe.
- 19 (c) "Groundbreaking activity" means any activity where the earth 20 is disturbed.
- 21 **Sec. 3.** RCW 27.53.090 and 1986 c 266 s 20 are each amended to 22 read as follows:
- ((Any)) Except as provided in section 2 of this act, any person, firm, or corporation violating any of the provisions of this chapter shall be guilty of a misdemeanor. Each day of continued violation of any provision of this chapter shall constitute a distinct and separate offense. Offenses shall be reported to the appropriate law enforcement agency or to the director.
- 29 **Sec. 4.** RCW 43.88.030 and 2006 c 334 s 43 are each amended to 30 read as follows:
- 31 The director of financial management shall provide all agencies with a complete set of instructions for submitting biennial 32 budget requests to the director at least three months before agency 33 budget documents are due into the office of financial management. The 34 budget document or documents shall consist of the governor's budget 35 message which shall be explanatory of the budget and shall contain an 36 37 outline of the proposed financial policies of the state for the ensuing fiscal period, as well as an outline of the proposed six-year 38

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financial policies where applicable, and shall describe in connection therewith the important features of the budget. The biennial budget document or documents shall also describe performance indicators that demonstrate measurable progress towards priority results. The message shall set forth the reasons for salient changes from the previous fiscal period in expenditure and revenue items and shall explain any major changes in financial policy. Attached to the budget message shall be such supporting schedules, exhibits and other explanatory material in respect to both current operations improvements as the governor shall deem to be useful to the legislature. The budget document or documents shall set forth a proposal for expenditures in the ensuing fiscal period, or six-year period where applicable, based upon the estimated revenues and caseloads as approved by the economic and revenue forecast council and caseload forecast council or upon the estimated revenues and caseloads of the office of financial management for those funds, accounts, sources, and programs for which the forecast councils do not prepare an official forecast. Revenues shall be estimated for such fiscal period from the source and at the rates existing by law at the time of submission of the budget document, including the supplemental budgets submitted in the even-numbered years of a biennium. However, the estimated revenues and caseloads for use in the governor's budget document may be adjusted to reflect budgetary revenue transfers and revenue and caseload estimates dependent upon budgetary assumptions of enrollments, workloads, and caseloads. All adjustments to the approved estimated revenues and caseloads must be set forth in the budget document. The governor may additionally submit, as an appendix to each supplemental, biennial, or six-year agency budget or to the budget document or documents, a proposal for expenditures in the ensuing fiscal period from revenue sources derived from proposed changes in existing statutes.

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The budget document or documents shall also contain:

- (a) Revenues classified by fund and source for the immediately past fiscal period, those received or anticipated for the current fiscal period, and those anticipated for the ensuing biennium;
 - (b) The undesignated fund balance or deficit, by fund;
- (c) Such additional information dealing with expenditures, revenues, workload, performance, and personnel as the legislature may direct by law or concurrent resolution;

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- 1 (d) Such additional information dealing with revenues and 2 expenditures as the governor shall deem pertinent and useful to the 3 legislature;
 - (e) Tabulations showing expenditures classified by fund, function, and agency;
 - (f) The expenditures that include nonbudgeted, nonappropriated accounts outside the state treasury;
 - (g) Identification of all proposed direct expenditures to implement the Puget Sound water quality plan under chapter 90.71 RCW, shown by agency and in total; and
 - (h) Tabulations showing each postretirement adjustment by retirement system established after fiscal year 1991, to include, but not be limited to, estimated total payments made to the end of the previous biennial period, estimated payments for the present biennium, and estimated payments for the ensuing biennium.
 - estimates of all anticipated revenues applicable to proposed operating or capital expenditures and shall also include all proposed operating or capital expenditures. The total of beginning undesignated fund balance and estimated revenues less working capital and other reserves shall equal or exceed the total of proposed applicable expenditures. The budget document or documents shall further include:
- 24 (a) Interest, amortization and redemption charges on the state 25 debt;
 - (b) Payments of all reliefs, judgments, and claims;
 - (c) Other statutory expenditures;

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- (d) Expenditures incident to the operation for each agency;
- (e) Revenues derived from agency operations;
- (f) Expenditures and revenues shall be given in comparative form showing those incurred or received for the immediately past fiscal period and those anticipated for the current biennium and next ensuing biennium;
- (g) A showing and explanation of amounts of general fund and other funds obligations for debt service and any transfers of moneys that otherwise would have been available for appropriation;
 - (h) Common school expenditures on a fiscal-year basis;
- (i) A showing, by agency, of the value and purpose of financing contracts for the lease/purchase or acquisition of personal or real property for the current and ensuing fiscal periods; and

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(j) A showing and explanation of anticipated amounts of general fund and other funds required to amortize the unfunded actuarial accrued liability of the retirement system specified under chapter 41.45 RCW, and the contributions to meet such amortization, stated in total dollars and as a level percentage of total compensation.

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- (3) The governor's operating budget document or documents shall reflect the statewide priorities as required by RCW 43.88.090.
- (4) The governor's operating budget document or documents shall identify activities that are not addressing the statewide priorities.
- (5) A separate capital budget document or schedule shall be submitted that will contain the following:
- (a) A statement setting forth a long-range facilities plan for the state that identifies and includes the highest priority needs within affordable spending levels;
- (b) A capital program consisting of proposed capital projects for the next biennium and the two biennia succeeding the next biennium consistent with the long-range facilities plan. Insomuch as is practical, and recognizing emergent needs, the capital program shall reflect the priorities, projects, and spending levels proposed in previously submitted capital budget documents in order to provide a reliable long-range planning tool for the legislature and state agencies;
- 23 (c) A capital plan consisting of proposed capital spending for at 24 least four biennia succeeding the next biennium;
 - (d) A strategic plan for reducing backlogs of maintenance and repair projects. The plan shall include a prioritized list of specific facility deficiencies and capital projects to address the deficiencies for each agency, cost estimates for each project, a schedule for completing projects over a reasonable period of time, and identification of normal maintenance activities to reduce future backlogs;
 - (e) A statement of the reason or purpose for a project;
 - (f) Verification that a project is consistent with the provisions set forth in chapter 36.70A RCW;
- 35 (g) A statement about the proposed site, size, and estimated life 36 of the project, if applicable;
 - (h) Estimated total project cost;
- 38 (i) For major projects valued over five million dollars, 39 estimated costs for the following project components: Acquisition, 40 consultant services, construction, equipment, project management, and

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other costs included as part of the project. Project component costs shall be displayed in a standard format defined by the office of financial management to allow comparisons between projects;

- (j) Estimated total project cost for each phase of the project as defined by the office of financial management;
 - (k) Estimated ensuing biennium costs;

- (1) Estimated costs beyond the ensuing biennium;
- (m) Estimated construction start and completion dates;
 - (n) Source and type of funds proposed;
- (o) Estimated ongoing operating budget costs or savings resulting from the project, including staffing and maintenance costs;
- (p) For any capital appropriation requested for a state agency for the acquisition of land or the capital improvement of land in which the primary purpose of the acquisition or improvement is recreation or wildlife habitat conservation, the capital budget document, or an omnibus list of recreation and habitat acquisitions provided with the governor's budget document, shall identify the projected costs of operation and maintenance for at least the two biennia succeeding the next biennium. Omnibus lists of habitat and recreation land acquisitions shall include individual project cost estimates for operation and maintenance as well as a total for all state projects included in the list. The document shall identify the source of funds from which the operation and maintenance costs are proposed to be funded;
- (q) For any capital appropriation requested for a project that involves groundbreaking activity under section 2 of this act, verification that the project has complied with the provisions set forth in that section;
- 29 <u>(r)</u> Such other information bearing upon capital projects as the 30 governor deems to be useful;
- $((\frac{r}{r}))$ (s) Standard terms, including a standard and uniform 32 definition of normal maintenance, for all capital projects;
- $((\frac{(s)}{(s)}))$ (t) Such other information as the legislature may direct by law or concurrent resolution.

For purposes of this subsection (5), the term "capital project" shall be defined subsequent to the analysis, findings, and recommendations of a joint committee comprised of representatives from the house capital appropriations committee, senate ways and means committee, legislative evaluation and accountability program committee, and office of financial management.

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- 1 (6) No change affecting the comparability of agency or program information relating to expenditures, revenues, workload, performance 2 3 and personnel shall be made in the format of any budget document or report presented to the legislature under this section or RCW 4 43.88.160(1) relative to the format of the budget document or report 5 6 which was presented to the previous regular session of the legislature during an odd-numbered year without prior legislative 7 concurrence. Prior legislative concurrence shall consist of (a) a 8 favorable majority vote on the proposal by the standing committees on 9 ways and means of both houses if the legislature is in session or (b) 10 11 a favorable majority vote on the proposal by members of the 12 legislative evaluation and accountability program committee if the legislature is not in session. 13
- 14 **Sec. 5.** RCW 43.63A.125 and 2019 c 413 s 7030 are each amended to 15 read as follows:

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- (1) The department shall establish the building communities fund program. Under the program, capital and technical assistance grants may be made to nonprofit organizations for acquiring, constructing, or rehabilitating facilities used for the delivery of nonresidential community services, including social service centers and multipurpose community centers, including those serving a distinct or ethnic population. Such facilities must be located in a distressed community or serve a substantial number of low-income or disadvantaged persons.
- (2) The department shall establish a competitive process to solicit, evaluate, and rank applications for the building communities fund program as follows:
- (a) The department shall conduct a statewide solicitation of project applications from nonprofit organizations.
- (b) The department shall evaluate and rank applications in consultation with a citizen advisory committee using objective criteria. To be considered qualified, applicants must demonstrate that the proposed project:
- 33 (i) Will increase the range, efficiency, or quality of the services provided to citizens;
- 35 (ii) Will be located in a distressed community or will serve a 36 substantial number of low-income or disadvantaged persons;
 - (iii) Will offer three or more distinct activities that meet a single community service objective or offer a diverse set of activities that meet multiple community service objectives, including

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- but not limited to: Providing social services; expanding employment opportunities for or increasing the employability of community residents; or offering educational or recreational opportunities separate from the public school system or private schools, as long as recreation is not the sole purpose of the facility;
- (iv) Reflects a long-term vision for the development of the community, shared by residents, businesses, leaders, and partners;
- (v) Requires state funding to accomplish a discrete, usable phase of the project;
 - (vi) Is ready to proceed and will make timely use of the funds;
- 11 (vii) Is sponsored by one or more entities that have the 12 organizational and financial capacity to fulfill the terms of the 13 grant agreement and to maintain the project into the future;
 - (viii) Fills an unmet need for community services;
 - (ix) Will achieve its stated objectives; ((and))

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- (x) Is a community priority as shown through tangible commitments of existing or future assets made to the project by community residents, leaders, businesses, and government partners; and
 - (xi) Has complied with section 2 of this act.
- (c) The evaluation and ranking process shall also include an examination of existing assets that applicants may apply to projects. Grant assistance under this section shall not exceed twenty-five percent of the total cost of the project, except, under exceptional circumstances, the department may reduce the amount of nonstate match required. However, during the 2019-2021 biennium, the legislature may waive the match required for the projects specified in section 1009, chapter 413, Laws of 2019. No more than ten percent of the total granted amount may be awarded to qualified eligible projects that meet the definition of exceptional circumstances defined in this subsection. For purposes of this subsection, exceptional circumstances include but are not limited to: Natural disasters affecting projects; emergencies beyond an applicant's control, such as a fire or an unanticipated loss of a lease where services are currently provided; or a delay that could result in a threat to public health or safety. The nonstate portion of the total project cost may include cash, the value of real property when acquired solely for the purpose of the project, and in-kind contributions.
- 38 (d) The department may not set a monetary limit to funding 39 requests.

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(3) The department shall submit biennially to the governor and the legislature in the department's capital budget request a ranked list of the qualified eligible projects for which applications were received. The list must include a description of each project, its total cost, and the amount of state funding requested. The appropriate fiscal committees of the legislature shall use this list to determine building communities fund projects that may receive funding in the capital budget. The total amount of state capital funding available for all projects on the biennial list shall be determined by the capital budget beginning with the 2009-2011 biennium and thereafter. In addition, if cash funds have been appropriated, up to three million dollars may be used for technical assistance grants. The department shall not sign contracts or otherwise financially obligate funds under this section until the legislature has approved a specific list of projects.

- (4) In addition to the list of ranked qualified eligible projects, the department shall submit to the appropriate fiscal committees of the legislature a summary report that describes the solicitation and evaluation processes, including but not limited to the number of applications received, the total amount of funding requested, issues encountered, if any, and any recommendations for process improvements.
- (5) After the legislature has approved a specific list of projects in law, the department shall develop and manage appropriate contracts with the selected applicants; monitor project expenditures and grantee performance; report project and contract information; and exercise due diligence and other contract management responsibilities as required.
- (6) In contracts for grants authorized under this section the department shall include provisions which require that capital improvements shall be held by the grantee for a specified period of time appropriate to the amount of the grant and that facilities shall be used for the express purpose of the grant. If the grantee is found to be out of compliance with provisions of the contract, the grantee shall repay to the state general fund the principal amount of the grant plus interest calculated at the rate of interest on state of Washington general obligation bonds issued most closely to the date of authorization of the grant.

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1 **Sec. 6.** RCW 43.155.075 and 2017 3rd sp.s. c 10 s 10 are each 2 amended to read as follows:

3 In providing loans and grants for public works projects, the board shall require recipients to incorporate the environmental 4 benefits of the project into their applications, and the board shall 5 6 utilize the statement of environmental benefits in its prioritization 7 and selection process, when applicable. The board shall also require recipients to comply with section 2 of this act. For projects funded 8 under this chapter, the board may require a local government to have 9 sustainable asset management best practices in place; provide a long-10 11 term financial plan to demonstrate a sound maintenance program; have 12 a long-term financial plan for loan repayments in place; and undergo value planning at the predesign project stage, where the greatest 13 14 productivity gains and cost savings can be found. The board shall also develop appropriate outcome-focused performance measures to be 15 16 used both for management and performance assessment of the loan and 17 To the extent possible, the department grant program. 18 coordinate its performance measure system with other natural 19 resource-related agencies as defined in RCW 43.41.270. The board 20 shall consult with affected interest groups in implementing this 21 section.

- NEW SECTION. Sec. 7. A new section is added to chapter 39.04 23 RCW to read as follows:
- All contracts entered into under this chapter by the state on or after the effective date of this section are subject to the requirements established under section 2 of this act.
- NEW SECTION. Sec. 8. A new section is added to chapter 39.10 RCW to read as follows:
- All contracts entered into under this chapter on or after the 30 effective date of this section are subject to the requirements 31 established under section 2 of this act.

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