

HOUSE BILL REPORT

SSB 5433

As Reported by House Committee On:

Agriculture and Natural Resources
Capital Budget

Title: An act relating to derelict aquatic structures.

Brief Description: Concerning the removal of derelict aquatic structures and restoration of aquatic lands.

Sponsors: Senate Committee on Agriculture, Water, Natural Resources & Parks (originally sponsored by Senators Muzzall, Shewmake, Liias, Lovelett, MacEwen, Nguyen and Salomon; by request of Department of Natural Resources).

Brief History:

Committee Activity:

Agriculture and Natural Resources: 3/21/23, 3/22/23 [DP];
Capital Budget: 3/30/23, 3/31/23 [DP].

Brief Summary of Substitute Bill

- Authorizes the Department of Natural Resources (DNR) to purchase or otherwise acquire lands and facilities related to derelict aquatic structures, and to remove, refurbish, or dispose of derelict aquatic structures.
- Requires the DNR to submit all derelict aquatic structure removal projects to a mitigation credits program in order to generate conservation credits, and requires any payments received for the sale of credits to be deposited into the Derelict Structure Removal Account created in the bill.
- Creates the Derelict Structure Removal Account.
- Directs the DNR to establish a grant program for lessees of state-owned aquatic land who need financial assistance to comply with the DNR's habitat stewardship measures for the construction and maintenance of

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aquatic structures.

- Authorizes the DNR to acquire aquatic structures that do not meet the definition of derelict aquatic structures, but that could provide habitat benefits or amenities for the local community if the structure were refurbished or repurposed.

HOUSE COMMITTEE ON AGRICULTURE AND NATURAL RESOURCES

Majority Report: Do pass. Signed by 10 members: Representatives Chapman, Chair; Morgan, Vice Chair; Reeves, Vice Chair; Dent, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; Kloba, Lekanoff, Orcutt, Schmick and Springer.

Staff: Robert Hatfield (786-7117).

Background:

The Department of Natural Resources.

The Department of Natural Resources (DNR) is tasked with managing state trust lands for the people of Washington. The DNR manages 5.6 million acres of forest, range, agricultural, aquatic, and commercial lands. The DNR manages more than 2.6 million acres of state-owned aquatic lands via its Aquatics Resources Division. The DNR also establishes stewardship measures, or guidelines outlining what the department believes are best practices for the construction and maintenance of aquatic structures.

Derelict Vessel Removal Program.

The Derelict Vessel Removal Program is administered by the DNR. Under the program, certain public entities including the DNR and most public agencies that own or manage aquatic lands may take custody and dispose of abandoned or derelict vessels on aquatic lands within their jurisdiction. The owner of an abandoned or derelict vessel is responsible for the cost of removal and disposal of the vessel.

Puget Sound Partnership Nearshore Credits Program.

The Puget Sound Partnership Nearshore Credits Program sells conservation credits to help federal permit applicants meet obligations to offset impacts to critical habitat and use funds from those credit sales to implement equivalent conservation projects. It is administered by the Puget Sound Partnership in collaboration with the Washington State Recreation and Conservation Office, and receives technical assistance from the National Marine Fisheries Service and the United States Fish and Wildlife Service.

Summary of Bill:

The Department of Natural Resources (DNR) is authorized to purchase or otherwise acquire lands and facilities related to derelict aquatic structures, and to remove, refurbish, or dispose of derelict aquatic structures.

The DNR is required to submit all derelict aquatic structure removal projects to a mitigation credits program in order to generate conservation credits, and requires any payments received for the sale of credits to be deposited into the Derelict Structure Removal Account created in the bill.

The Derelict Structure Removal Account, a fund within the State Treasury authorized to receive fund transfers and appropriations from the State General Fund, deposits from the derelict structure removal surcharge, as well as gifts, grants, and endowments from public or private sources, is created.

The DNR may enter into contracts with private companies and individuals to exercise the authority granted by the act.

The DNR is authorized to acquire aquatic structures that do not meet the definition of derelict for purposes of refurbishing or repurposing these structures in the interest of habitat benefits or the creation of amenities for the local community.

The DNR is directed to establish a grant program for lessees of state-owned aquatic land who need financial assistance to comply with the department's habitat stewardship measures for the construction and maintenance of aquatic structures.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) There were some issues in the original version of the bill, and those issues have been addressed in the present version of the bill. In the Senate's proposed capital budget, there is funding to take care of several notable derelict aquatic structures. Earlier versions of bill authorized the Department of Natural Resources to do certain work on derelict aquatic structures and to then charge the owner of the structure for the work, and that language has been removed in the current version of the bill.

The bill is a good approach to get derelict structures out of the water.

(Opposed) None.

Persons Testifying: Senator Ron Muzzall, prime sponsor; and Brian Considine, Department of Natural Resources.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON CAPITAL BUDGET

Majority Report: Do pass. Signed by 28 members: Representatives Tharinger, Chair; Callan, Vice Chair; Hackney, Vice Chair; Steele, Ranking Minority Member; Abbarno, Assistant Ranking Minority Member; Sandlin, Assistant Ranking Minority Member; Alvarado, Bateman, Cheney, Christian, Couture, Dye, Eslick, Farivar, Fosse, Kloba, Leavitt, Maycumber, McClintock, Morgan, Mosbrucker, Orwall, Peterson, Reed, Rule, Shavers, Stearns and Waters.

Staff: John Wilson-Tepeli (786-7115).

Summary of Recommendation of Committee On Capital Budget Compared to Recommendation of Committee On Agriculture and Natural Resources:

No new changes were recommended.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) This bill will enable the DNR to remove derelict structures from locations across the state's aquatic environments, including in the Puget Sound. The bill will provide a dedicated program for derelict aquatic structures, similar to the program for derelict vessels, and it will allow the DNR to deal with these structures in a more efficient manner. The program in the bill uses the Puget Sound Partnership Nearshore Credits Program, which will result in some return for doing this work, which can then be reinvested in the program.

(Opposed) None.

Persons Testifying: Brian Considine, Department of Natural Resources.

Persons Signed In To Testify But Not Testifying: None.