SUBSTITUTE HOUSE BILL 1720

State of Washington 68th Legislature 2023 Regular Session

By House Agriculture and Natural Resources (originally sponsored by Representatives Chapman, Dent, Lekanoff, Kretz, Volz, Klicker, Schmidt, Schmick, Couture, Goehner, Chambers, Ybarra, Stokesbary, Robertson, Sandlin, Christian, Reeves, Morgan, Orcutt, Corry, Barkis, Graham, Dye, Hutchins, and Cheney)

READ FIRST TIME 02/17/23.

AN ACT Relating to the protection and restoration of riparian areas through the establishment of a fully voluntary, regionally focused riparian grant program designed to improve the ecological functions of critical riparian management zones; adding a new section to chapter 89.08 RCW; adding new sections to chapter 77.85 RCW; creating a new section; and providing an expiration date.

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

- 8 <u>NEW SECTION.</u> **Sec. 1.** (1) The legislature finds that salmon, 9 many species of which are listed as endangered in Washington, are of 10 great importance to the culture of all peoples of the Pacific 11 Northwest. Not only are salmon important to humankind, but salmon are 12 a primary food source for critically endangered southern resident orcas.
- 14 (2) The legislature further finds that salmon face a diverse array of threats throughout their life cycle. These threats include 15 16 the threat posed by pinnipeds, such as seals and sea lions, which are 17 protected under federal law, but nevertheless pose a significant 18 threat to salmon and orca recovery through ongoing and excessive 19 predation. Salmon have also faced threats from fish passage barriers, 20 stormwater runoff, and spills from wastewater treatment plants, among 21 other threats.

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(3) It is in the best interest of all the people of Washington, including federally recognized tribes and private landowners, to increase the population of salmon, to ensure the survivability of salmon against all threats, to protect and restore riparian areas, and to prioritize those riparian areas that provide shade and other cobenefits to support salmon recovery.

- (4) There are many policy and funding pathways, including the voluntary stewardship program, that the legislature can focus on for a holistic approach to salmon recovery across the state.
- 10 (5) The legislature finds that fully voluntary, regionally 11 focused riparian grant programs designed to improve the ecological 12 functions of critical riparian management zones are one of the most 13 effective means to increase participation of landowners in this 14 important restoration effort.
- NEW SECTION. Sec. 2. A new section is added to chapter 89.08 RCW to read as follows:
 - (1) (a) Within funds appropriated for this specific purpose, the state conservation commission shall develop and implement the riparian grant program to fund protection and restoration of critical riparian management zones. The commission is responsible for developing the voluntary grant program criteria to achieve optimal restoration of functioning riparian ecosystems in priority critical riparian management zones. This program is intended to complement the standard of no net loss of riparian habitat established in the voluntary stewardship program within the growth management act.
 - (b) In adopting the program criteria under this section, the commission must:
 - (i) Coordinate with the department of ecology, the department of fish and wildlife, conservation districts, the department of agriculture, private landowners, and other interested stakeholders as well as invite federally recognized tribes to coordinate in the process as full participants; and
 - (ii) Consider the best available, locally applicable, science that is specific to each region of the state where the program criteria will be applied.
 - (2)(a) The commission shall prioritize critical riparian management zones at the watershed or subbasin scale where grant funding under the program created in this section would be primarily targeted. The prioritization must be informed by, consistent with,

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and aligned with one or more of the following: Watershed plans developed pursuant to chapter 90.82 RCW; the action agenda developed under RCW 90.71.260; regional recovery plans created under RCW 77.85.090; the habitat project lists developed pursuant to RCW 77.85.050; the prioritization process developed under RCW 77.95.160; and priority projects identified for salmon recovery through agency grant programs.

- (b) The prioritization of critical riparian management must be developed in coordination with local conservation districts, the department of fish and wildlife, the department of ecology, and water resource inventory area planning units organized pursuant to chapter 90.82 RCW. In addition, the commission must invite the full participation of federally recognized tribes in the prioritization required under this section.
- 15 (3)(a) Conditions for awarding funding for projects under this 16 program should include, but are not limited to:
 - (i) Consistency with the program criteria established in subsection (1) of this section;
 - (ii) Tiered incentive rates tied to improving functionality for riparian areas; and
 - (iii) Other requirements as determined by the commission.
 - (b) Preference and compensation will be given for permanent protection of riparian areas or removal of riparian land from agricultural production or other development by purchase at fair market value.
 - (4) Riparian grant program funding must be distributed equitably throughout the state, consistent with received grant applications and benefit to salmon habitat. Funding is intended primarily for projects located in salmon recovery regions, as defined in RCW 77.85.010, but funding may also be distributed to a project not located in a salmon recovery region upon a determination by the commission that the project will provide a unique benefit to salmon habitat.
 - (5) Allowable expenses to a grantee receiving funds under this section include, but are not limited to, labor, equipment, fencing, mulch, seed, seedling trees, manual weed control, and yearly maintenance costs for up to 10 years.
 - (6) Any native woody trees and shrubs planted with funding provided under this section must be maintained for a minimum of five years or as otherwise set by the commission for each grantee.

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- Vegetation must be chosen to prevent invasive weed populations and ensure survival and successful establishment of plantings.
- (7) The commission shall determine appropriate recordkeeping and data collections procedures required for program implementation and shall establish a data management system that allows for coordination between the commission and other state agencies. Any data collected or shared under this section may be used only to assess the successes of the riparian grant program in improving the functions of critical riparian habitat.
- (8) The commission shall develop and implement a framework that includes monitoring, adaptive management, and metrics in order to ensure consistency with the requirements of the riparian grant program. The monitoring and adaptive management framework may include, but is not limited to, consideration of:
- 15 (a) Acres identified as eligible for restoration within a 16 watershed;
 - (b) Acres planned to be restored;

- (c) Acres actually planted and maintained;
- 19 (d) Success in targeting and achieving aggregated project 20 implementation resulting in increase in linear miles restored;
 - (e) Plan review criteria; and
 - (f) Other similar factors as identified by the commission.
 - (9) No more than two percent of any funds appropriated for this purpose may be used for targeted outreach activities that focus on critically identified geographic locations for listed salmon species.
 - (10) No more than four percent of any funds appropriated for this purpose may be used for administrative expenses.
 - (11) For the purposes of this section, "critical riparian management zone" means the area adjacent to freshwaters, wetlands, and marine waters that has been locally or regionally identified as an area where salmon recovery efforts would significantly benefit from enhanced protection or restoration.
- NEW SECTION. Sec. 3. A new section is added to chapter 77.85 RCW to read as follows:
 - (1) (a) Within funds appropriated for this specific purpose, the salmon recovery funding board shall develop and implement the riparian grant program to fund protection and restoration of critical riparian management zones. The salmon recovery funding board is responsible for developing the voluntary grant program criteria to

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achieve optimal restoration of functioning riparian ecosystems in priority critical riparian management zones. This program is intended to complement the standard of no net loss of riparian habitat established in the voluntary stewardship program within the growth management act.

- (b) In adopting the program criteria under this section, the salmon recovery funding board must:
- (i) Coordinate with the department of ecology, the department of fish and wildlife, conservation districts, the department of agriculture, private landowners, and other interested stakeholders as well as invite federally recognized tribes to coordinate in the process as full participants; and
- (ii) Notwithstanding different stream habitat restoration guidelines that govern other projects administered by the salmon recovery funding board, for purposes of the riparian grant program outlined in this section, consider the best available, locally applicable, science that is specific to each region of the state where the program criteria will be applied. The salmon recovery funding board must apply the requirements and criteria set forth in this section in administering the riparian grant program, rather than any policies or standards that the board may apply to other grant programs administered by the board.
- (2) (a) The salmon recovery funding board shall prioritize critical riparian management zones at the watershed or subbasin scale where grant funding under the program created in this section would be primarily targeted. The prioritization must be informed by, consistent with, and aligned with one or more of the following: Watershed plans developed pursuant to chapter 90.82 RCW; the action agenda developed under RCW 90.71.260; regional recovery plans created under RCW 77.85.090; the habitat project lists developed pursuant to RCW 77.85.050; the prioritization process developed under RCW 77.95.160; and priority projects identified for salmon recovery through agency grant programs.
- (b) The prioritization of critical riparian management must be developed in coordination with local conservation districts, the department of fish and wildlife, the department of ecology, and water resource inventory area planning units organized pursuant to chapter 90.82 RCW. In addition, the salmon recovery funding board must invite the full participation of federally recognized tribes in the prioritization required under this section.

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1 (3)(a) Conditions for awarding funding for projects under this 2 program should include, but are not limited to:

- (i) Consistency with the program criteria established in subsection (1) of this section;
- (ii) Tiered incentive rates tied to improving functionality for riparian areas; and
- (iii) Other requirements as determined by the salmon recovery funding board.
- (b) Preference and compensation will be given for permanent protection of riparian areas or removal of riparian land from agricultural production or other development by purchase at fair market value.
- (4) Riparian grant program funding must be distributed equitably throughout the state, consistent with received grant applications and benefit to salmon habitat. Funding is intended primarily for projects located in salmon recovery regions, as defined in RCW 77.85.010, but funding may also be distributed to a project not located in a salmon recovery region upon a determination by the salmon recovery funding board that the project will provide a unique benefit to salmon habitat.
- (5) Allowable expenses to a grantee receiving funds under this section include, but are not limited to, labor, equipment, fencing, mulch, seed, seedling trees, manual weed control, and yearly maintenance costs for up to 10 years.
 - (6) Any native woody trees and shrubs planted with funding provided under this section must be maintained for a minimum of five years or as otherwise set by the salmon recovery funding board for each grantee. Vegetation must be chosen to prevent invasive weed populations and ensure survival and successful establishment of plantings.
 - (7) The salmon recovery funding board shall determine appropriate recordkeeping and data collections procedures required for program implementation and shall establish a data management system that allows for coordination between the salmon recovery funding board and other state agencies. Any data collected or shared under this section may be used only to assess the successes of the riparian grant program in improving the functions of critical riparian habitat.
- (8) The salmon recovery funding board shall develop and implement a framework that includes monitoring, adaptive management, and metrics in order to ensure consistency with the requirements of the

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- 1 riparian grant program. The monitoring and adaptive management 2 framework may include, but is not limited to, consideration of:
- 3 (a) Acres identified as eligible for restoration within a 4 watershed;
 - (b) Acres planned to be restored;
 - (c) Acres actually planted and maintained;
- 7 (d) Success in targeting and achieving aggregated project 8 implementation resulting in increase in linear miles restored;
 - (e) Plan review criteria; and

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- 10 (f) Other similar factors as identified by the salmon recovery 11 funding board.
 - (9) No more than two percent of any funds appropriated for this purpose may be used for targeted outreach activities that focus on critically identified geographic locations for listed salmon species.
- 15 (10) No more than four percent of any funds appropriated for this 16 purpose may be used for administrative expenses.
- 17 (11) For the purposes of this section, "critical riparian 18 management zone" means the area adjacent to freshwaters, wetlands, 19 and marine waters that has been locally or regionally identified as 20 an area where salmon recovery efforts would significantly benefit 21 from enhanced protection or restoration.
- NEW SECTION. Sec. 4. A new section is added to chapter 77.85 RCW to read as follows:
- 24 (1) A salmon riparian habitat policy task force is established in 25 the governor's salmon recovery office to monitor and review the implementation and successes of the grant program created in section 26 27 2 of this act. The task force must build upon the work of the facilitated roundtables and discussions that were commenced pursuant 28 to the authorization provided in section 117(12), chapter 297, Laws 29 30 of 2022. The task force must operate on a consensus basis. Members of 31 the task force are appointed by the executive director of the 32 governor's salmon recovery office.
- 33 (2) The task force includes representation from the following 34 entities:
- 35 (a) Four representatives from federally recognized tribes in 36 Washington, two from east of the crest of the Cascade mountains and 37 two from west of the crest of the Cascade mountains, as determined by 38 the federally recognized tribes;

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- 1 (b) Four representatives from agricultural and livestock 2 producers, all of whom must be appointed from a list of at least four 3 names as recommended by a recognized statewide agriculture 4 organization;
 - (c) One representative from a regional salmon recovery organization as defined in RCW 77.85.010;

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- (d) One representative from a forestry and agriculture organization, as recommended by a recognized statewide agriculture or forestry organization;
- (e) One representative from a nonprofit environmental organization that owns or manages undeveloped land in Washington, as recommended by a recognized statewide environmental organization; and
- (f) One representative from a statewide organization representing all of Washington's 39 counties, as recommended by a recognized statewide organization representing counties.
- (3) One representative from each of the following state agencies shall serve in a technical advisory role to the task force but shall not participate in the consensus process of the task force: The department of fish and wildlife; the department of agriculture; the Washington state conservation commission; and the department of natural resources.
- (4) By May 1, 2024, and consistent with RCW 43.01.036, the task force must submit a preliminary report to the governor and the relevant committees of the legislature, with a final report due by June 30, 2024. The reports must provide recommendations addressing the following topics:
- 27 (a) Developing and implementing a compensatory or mitigation 28 program for critical riparian habitat restoration. Options must 29 address the following:
 - (i) Compensatory or mitigation criteria for agricultural areas;
- 31 (ii) Compensatory or mitigation criteria for residential and 32 urban areas;
- 33 (iii) Compensatory or mitigation criteria for public land areas; 34 and
- 35 (iv) Recommendations for implementation timelines for 36 compensatory or mitigation programs;
- 37 (b) Recommendations on proposed changes in the grant program 38 created in section 2 of this act and spending priorities to improve 39 riparian habitat in order to ensure salmon recovery;

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- 1 (c) Strategies that can attract private investment in improving 2 and protecting salmon and riparian habitat; and
 - (d) Other relevant riparian and salmon recovery-related topics designated by the task force that focus on voluntary and incentive-based measures.
 - (5) The governor's salmon recovery office may contract with an independent entity to facilitate the task force facilitation and report required in subsection (4) of this section. The contract is exempt from the competitive procurement requirements in chapter 39.26 RCW.
 - (6) By June 30, 2025, and every June 30th thereafter, consistent with RCW 43.01.036, the salmon riparian habitat policy task force must submit an annual report to the legislature with updates on the successes of the riparian habitat restoration achieved under section 2 of this act and any recommended policy changes to the grant program created in section 2 of this act necessary to further protect and restore salmon habitat.
 - (7) This section expires June 30, 2029.

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