

May 3, 2005

TO: IAC and SRFB Members
FROM: Laura Eckert Johnson, Director
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SUBJECT: **2005 LEGISLATIVE REPORT**

A number of bills were introduced this legislative session that had the potential to affect IAC, SRFB, and other state and local agencies involved in providing recreation, open space, and habitat restoration and protection. These bills are summarized below.

The Legislature's web site now offers all of the information on bills that was previously only available via LegLink on a subscription basis. To get additional information on any of the bills discussed below, including copies of the bill, legislative history, and bill reports, go to <http://www.leg.wa.gov/wsladm/billinfo1/bills.cfm>

ENACTED
Washington Wildlife and Recreation Program (WWRP)

Three bills amending the WWRP were introduced: SB5118 (sponsored by Sen. Parlette), and the two bills written by the Washington Wildlife and Recreation Coalition (WWRC), HB1413 (sponsored by Rep. Dunshee) and the companion SB5396 (sponsored by Sen. Fraser). SSB5396 passed and was signed by the Governor. A summary of the bill is attached.

Key changes in the law include new funding categories for farmland preservation and riparian habitat. A number of administrative changes were also made, including the elimination of "unallocated" categories and the increased eligibility for development and renovation activities on existing state lands. These changes primarily take effect in the 07- 09 biennium, but there will be program development work starting this summer. It is

also apparent that some of the new WWRP categories will need to closely coordinate with similar efforts under the SRFB and other funding programs.

DISPOSITION OF OTHER MEASURES OF INTEREST (IAC)

Boating and Boating Facilities Program (BFP)

Division of funds between state and local projects. HB1700 would have removed the requirement that BFP funds be divided equally between state and local agency projects. The bill was supported by the Washington Public Ports Association, which suggested the public would get the best boating facility projects if state and local agencies competed head to head. The WPPA also said that the bill would alleviate the problem of leftover funding that can occur if one of the categories has insufficient requests. WDFW and State Parks opposed the bill, stating that it is important for their agencies to have a stable, predictable funding source for boating projects. The bill died in the House Capital Budget Committee.

Recreational Facilities on Agricultural Land

The Growth Management Act requires that counties designate “agricultural lands of long term significance” and to restrict non-agricultural development on these lands. In several areas of the state, especially in Snohomish County, recreational fields and supporting facilities were constructed on agricultural land not currently being farmed but included in the agricultural land designation. These facilities have been in conflict with local planning regulations and with the GMA.

Five bills were introduced to address this issue. HB1245, HB1567, and SB5933 would have provided for counties and cities to allow removable recreational facilities on agricultural land that is not being used for agriculture. HB1084 and HB2241 would have allowed counties to “grandfather” current recreational facilities, with HB2241 written to apply only to Snohomish County. EHB2241 passed.

Funding for Recreation and Open Space

SB6031 would have submitted a referendum to the people of the state to levy an additional 0.05% sales tax for state parks renovation and maintenance. SSB5630 would have allowed use of the county and city 0.25% real estate excise tax revenues for maintenance and operation of parks and recreational facilities. HB2180 would have submitted to the voters a referendum to authorize \$500 million in G.O. bonds, to be financed by a tax on admissions to athletic events and income of out-of-state sports teams playing in Washington. The bonds would have provided \$25 million per year each to IAC and to State Parks for ten years. None of these three bills made it out of their house of origin.

SSB5316, which provides revenues to the State Parks improvement account from the sale of special state parks license plates, did pass.

There were also three bills that would have raised the Conservation Futures Tax (CFT), a local-option property tax that can be levied by counties for open space preservation: SHB1631, SB5109, and SSB5378. ESHB1631 passed, but without the increase in the CFT. It does allow, however, for 15% of the CFT revenues to be used for maintenance and operation of properties acquired with CFT revenues.

Liability and Recreational Facilities

Three bills, SB5279, SSB5511, and SHB1643 would have allowed owners or operators of recreational facilities to charge a fee and still enjoy some immunity from liability if the revenues are used solely for maintenance and operation of the facility. The latter two bills applied specifically to skate parks. None survived.

Other IAC-Related Issues

HB2108 addressed IAC's matching requirements. The bill was sponsored at the request of the Port of Bremerton. The bill would have restricted the IAC from prohibiting or limiting a public body from receiving grant funds for a project solely because the public body received grant funds from another local, state, or federal source. The bill also would have authorized a public body to use a grant from other IAC programs as a match when applying for a grant from IAC's Boating Facilities Program. Representatives of the Port of Bremerton and the Washington Public Port's Association (WPPA) testified in support of the bill. IAC opposed HB2108 on the grounds that the agency's matching policies could and should be addressed administratively rather than through a "one-size-fits-all" bill affecting all nine IAC grant programs, each with its own complex matching requirements and each with its own constituents and stakeholder organizations. The bill died in the House Capital Budget Committee. When testifying to the Committee in opposition to the bill, Fox indicated that IAC would address matching issues over the interim.

SALMON RECOVERY

Four salmon-related bills passed:

ESB5355 clarifies that the Lower Columbia Fish Recovery Board is responsible for overseeing, coordinating and monitoring the implementation of the recovery plan and extends the Board's sunset from July 1, 2006 to July 1, 2010.

SSB5539, sponsored by Sen. Jacobsen, creates the Veterans Conservation Corps program composed of veterans with posttraumatic stress disorder and related conditions who are interested in working on habitat restoration projects. The bill requires

SRFB to give consideration to projects involving members of the Corps. Staff has already starting working with the Department of Veterans Affairs to help develop an implementation plan.

SSB5914, sponsored by Sen. Parlette, allows the SRFB to change the terms of a grant, including removal of a binding deed of right, if property purchased with the grant is to be transferred to a federal agency. The Board must obtain a memorandum of understanding or similar document ensuring that the property will retain, to the extent feasible, adequate habitat protections. Local elected officials must also approve the transfer.

SSB5610, sponsored by Sen. Jacobsen, addresses the roles of regional salmon recovery organizations and the Governor's Salmon Recovery Office (GSRO). The bill:

- Defines regional salmon recovery organizations
- Recognizes the existence of the current regional salmon recovery organizations and does not interfere with their efforts to complete recovery plans this year and to transition into implementation
- Directs the SRFB to give preference to projects that are included in a regional or watershed-based salmon recovery plan
- Clarifies that the SRFB may give grants to lead entities and regional recovery organizations for carrying out their various functions (planning, coordinating plan implementation, project prioritization, monitoring)
- Extends the life of the Governor's Salmon Recovery Office from June 30, 2006 to June 30, 2007

The House Natural Resources, Ecology and Parks Committee deleted the section that would have placed the Monitoring Forum in statute. The Forum currently is mandated by an Executive Order.

BUDGET BILLS

Governor Gregoire's Capital Budget recommended \$45 million for WWRP grants and \$20 million in state funds and \$44 million in spending authority for federal funds for SRFB grants.

The version passed by the Legislature and sent to the Governor for signing contains \$50 million for WWRP (up from \$45 million this biennium), and \$18 million in state funds (up from \$12 million) for SRFB. SRFB's federal funding authority is set at \$44 million. In addition, \$4 million is provided for the Family Forest Fish Passage Program jointly administered by SRFB, DNR and WDFW, up from \$2 million this biennium. Language that would have earmarked \$500,000 in SRFB federal funds was not in the version of the Capital Budget passed by the Legislature.

The Governor plans to take action on the Capital Budget on May 16, 2005.

The Operating Budget provides base-level operating support for the agency at requested levels. It also added:

- A section affecting the possible disposition of the Thurston County ORV Park,
- Funding for the Biodiversity Council staffing,
- Earmarks the Forests & Fish program pass-through funding (\$16,025,000), and
- Support for the “PNAMP” regional monitoring coordination effort (\$40,000).

In addition to funding, the Capital Budget added sections directing IAC to participate in an *in lieu* tax study, a study on costs of stewardship of public and private land, a study committee on outdoor recreation, an ORV noise management taskforce, and a salmon recovery and watershed health monitoring coordination effort.

Senate Confirmation of IAC and SRFB Members

Governor Gregoire submitted names of all ten of the IAC and SRFB citizen members to the Senate for confirmation. However, the Senate Natural Resources, Ocean and Parks Committee did not schedule hearings or take action this session.

Attachment
ESSB5396 As Passed By The Legislature (WWRP)

Major Provisions	ESSB5396 As Passed House
Renovation added to ORA categories	<i>Water Access & Trails</i>
Acquired land subject to in lieu taxes	Yes
Conversion language	Yes
Support of local elected officials	Agency must review proposal with appropriate local elected officials. Officials may submit a letter stating their position; becomes part of submission to Gov. and Legislature.
Use for mitigation banking	Riparian, critical habitat and urban wildlife habitat funds may be used for mitigation banking projects.
Extension of CREP leases	Riparian funds may be used to extend leases at least 25 years.
Public access to farmland	Not required as a condition of funding.
3% admin for IAC	Yes
<i>Critical Habitat</i> category	35% → 40% (becomes 45% in 2011)
<i>Natural Areas</i> category	20% → 30%
<i>Urban Wildlife Habitat</i> category	15% → 20%
New restoration on state lands category	10% (becomes 5% on 2011)
HCA <i>Unallocated</i>	None
Local agencies eligible for <i>critical habitat</i>	Yes
<i>Local Parks</i> category	25% → 30%
<i>State Parks</i> category	25% → 30%; 50% acq.
<i>Trails</i> category	15% → 20%
<i>Water Access</i> category	10% → 15%
New development and renovation on state lands category	5%
ORA <i>Unallocated</i>	None
Riparian habitat preservation	Yes
Farmland preservation	Yes
Uncommitted funds carried over to subsequent biennia	Yes