



STATE OF WASHINGTON

OFFICE OF THE INTERAGENCY COMMITTEE

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May 16, 2007

**TOPIC #3B: Financial Services Report, Budget details**

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**Proposed Action:** Budget Briefing

**Summary:**

The operating and the capital budgets were signed by the Governor on May 15, 2007. Attachment 1 shows the actual operating budget details for SRFB and IAC Attachment 2 shows the actual capital budget details for SRFB and IAC. Attachment 3 shows a spreadsheet summarizing the IAC Capital Budget 07-09 totals.

**IAC budget, items of note:**

- \$100.0 million for Washington Wildlife and Recreation Program (WWRP)
- \$5.025 million for Aquatic Lands Enhancement Account (ALEA)
- \$2 million included for new IAC program Boating Activities – identified in operating budget (section 304, proviso 3) to implement SHB 1651.
- Reappropriation of \$2.5 million for Youth Athletic Fields; the matching proviso is removed

**SRFB budget items of note are:**

- \$40.75 million state funding for Puget Sound Acquisition and Restoration projects
- \$18.0 million state and \$42.0 million federal spending authority for salmon grants.

**Forum/Council budget items of note:**

- Continued funding for Forum on Monitoring Salmon Recovery and Watershed Health, Washington Biodiversity Council and the Invasive Species Council.

For SRFB and IAC combined, the total new capital funding is \$240 million. Reappropriations were all budgeted at requested levels, making the total for the



reappropriations at \$164 million. The total capital funding is \$404 million for the 2007-09 biennium.

The operating budget included several operating budget sections that applied to IAC. The sections of note:

- **Section 953** identifies the process for fund distribution of the motor vehicle fuel tax revenue. This section specifies that for the 2007-09 the legislature may appropriate such amounts as reflect the excess fund balance in the NOVA account to the Department of Natural Resources. This is for planning and designing consistent off-road vehicle signage at department managed recreation sites and for planning recreation opportunities.
- **Section 308** details the Department of Natural Resources operating budget. This budget includes the \$982,000 diverted from the NOVA account. This removes most of the remaining fund balance.

The legislature also included a number of capital budget provisos. Provisos of note:

- **Section 3134** provides reappropriation funding for Youth Athletic Fields funded from the state building construction account. The reappropriation is provided for competitive grants. Maintenance grants are not eligible and the grant amounts do not depend on city or county population proportion. The matching requirement is removed. This previously required that for every \$500,000 received in private donations we could match the funds with \$500,000 from this appropriation.
- **Section 3144** provides funding for Nonhighway Off-Road Vehicle Activities (NOVA). This section specifies that \$450,000 is provided solely for local law enforcement and noise enforcement agencies for the enforcement of existing state noise laws and regulations.
- **Section 3146** provides funding for the Washington Wildlife Recreation Grants. There were three provisos of note.
  - Authority to provide one time development of farmland strategies grants, up to \$25,000. This includes authority to conduct a second grant cycle in 2007-09 biennium.
  - Split of urban wildlife funds into an allocation of forty percent to local government projects and sixty percent to state agency projects.
  - \$627,299 of the riparian protection account solely for the Chehalis River Surge Plain Natural Area Preserve to Department of Natural Resources, with limitations pending completion of a DNR management plan for the preserve.

- **Section 6028** requires the agency to review its competitive process to solicit proposals for Washington Wildlife Recreation Grants. Also, the IAC shall submit a report to OFM with recommendations on how to reduce its reappropriations by June 30, 2008.
- **Section 6038** covers the agencies that shall sign performance agreements with the Puget Sound Partnership. This section applies to the Aquatic Lands Enhancement Account (ALEA), Salmon Restoration (SRFB) and Washington Wildlife and Recreation Program (WWRP) grants. Agencies will be required to provide to the partnership estimates of the actions and the budget resources needed for the forthcoming biennium. There will need to be consistent funding criteria for projects that benefit the Puget Sound. By 2010, Puget Sound projects must not be in conflict with the action agenda developed by the Puget Sound partnership.
- **Section 6005** covers all agencies and the expectations of project readiness, legislative intentions in regards to reappropriations, timely expenditures of reappropriations and appropriations. IAC staff are meeting with OFM to further discuss this budget section and potential impacts.

If you have any questions or need additional detail, please call Mark Jarasitis at (360) 902-3006 or inquire at the meeting.

## OPERATING BUDGET TEXT (SHB 1128)

### NEW SECTION. Sec. 304. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION

General Fund--State Appropriation (FY 2008) . . . .	\$1,557,000
General Fund--State Appropriation (FY 2009) . . . .	\$1,600,000
General Fund--Federal Appropriation . . . . .	\$18,409,000
General Fund--Private/Local Appropriation . . . . .	\$250,000
Aquatic Lands Enhancement Account--State Appropriation	\$277,000
Water Quality Account--State Appropriation (FY 2008) ..	\$100,000
Water Quality Account--State Appropriation (FY 2009) .	\$100,000
Firearms Range Account--State Appropriation . . . . .	\$37,000
Recreation Resources Account--State Appropriation . .	\$2,819,000
Nonhighway and Off-Road Vehicles Activities Program Account--State Appropriation . . . . .	\$1,004,000
Boating Activities Account--State Appropriation . . .	\$2,000,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$28,153,000</b>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$16,025,000 of the general fund--federal appropriation is provided solely for implementation of the forest and fish agreement rules. These funds shall be allocated to the department of natural resources and the department of fish and wildlife.

(2) \$22,000 of the general fund--state appropriation for fiscal year 2008 and \$22,000 of the general fund--state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute Senate Bill No. 5372 (Puget Sound partnership). If the bill is not enacted by June 30, 2007, the department shall execute activities as described in Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership).

(3) \$2,000,000 of the boating activities account--state appropriation is provided solely to implement Substitute House Bill No. 1651 (boating activities). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

**CAPITAL BUDGET TEXT  
(ESHB 1092)**

**Sec. 3134. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION  
Youth Athletic Fields (06-2-952)**

The reappropriation in this section is subject to the following conditions and limitations:  
The reappropriation is provided solely for competitive grants for acquisition, development, and renovation of youth athletic fields. The committee shall follow the applicable rules of the youth athletic facilities program, except that grants for maintenance are not eligible and the amount of a grant need not be in proportion to the population of the city or county where the community outdoor athletic facility is located.

Reappropriation:

State Building Construction Account--State . . . . . \$2,500,000

**Sec. 3135. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION  
Aquatic Lands Enhancement Account (08-4-005)**

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section is provided solely for the list of projects in LEAP capital document No. 2007-1, developed March 17, 2007.

(2) The committee shall submit a list of recommended projects to be funded from the aquatic lands enhancement account in the 2009-2011 capital budget to the office of financial management and the appropriate legislative committees. The list shall result from a competitive grants program developed by the committee based upon, at a minimum: (a) Uniform criteria for selecting projects and awarding grants for up to fifty percent of the total projects cost; (b) local community support for the projects; and (c) environmental benefits to be derived from projects.

Appropriation:

Aquatic Lands Enhancement Account--State . . . . . \$5,025,000

**Sec. 3136. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION  
Boating Facilities Program (08-4-001)**

Appropriation:

Recreation Resources Account--State . . . . . \$8,021,000

**Sec. 3137. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION  
Boating Improvement Grants (08-4-002)**

Appropriation:

General Fund--Federal . . . . . \$200,000

**Sec. 3139. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION  
Firearms and Archery Range Recreation (08-4-003)**

Appropriation:  
Firearms Range Account--State . . . . . \$472,000

**Sec. 3142. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION  
Land and Water Conservation (08-4-007)**

Appropriation:  
General Fund--Federal . . . . . \$1,000,000

**Sec. 3143. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION  
National Recreational Trails Program (08-4-009)**

Appropriation:  
General Fund--Federal . . . . . \$3,500,000

**Sec. 3144. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION  
Nonhighway Off-Road Vehicle Activities (08-4-008)**

The appropriation in this section is subject to the following conditions and limitations:  
\$450,000 of the appropriation is provided solely for grants to local law enforcement and noise enforcement agencies for the enforcement of existing state noise laws and regulations. Grants may be used to acquire noise monitoring equipment and to compensate law enforcement agencies for staff overtime and administrative expenses.

Appropriation:  
Nonhighway Off-Road Vehicle Activities Program  
Account--State . . . . . \$9,036,000

**Sec. 3146. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION  
Washington Wildlife Recreation Grants (08-4-011)**

The appropriations in this section are subject to the following conditions and limitations:  
(1) The appropriations are provided solely for the approved list of projects in LEAP capital document No. 2007-3 as developed on March 17, 2007.  
(2) If additional funds are available after funding the farmlands preservation account projects approved in subsection (1) of this section, the committee may:  
(a) Provide one-time grants of up to \$25,000 each to counties requesting assistance in developing farmlands preservation strategies for the purpose of seeking grants from the farmlands preservation account in future grant cycles.

**Sec. 3146. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION  
Washington Wildlife Recreation Grants (08-4-011) CONTINUED**

(b) Conduct a second grant cycle in the 2007-2009 biennium for farmlands preservation projects. A ranked list of farmlands preservation projects may be submitted to the governor by November 1, 2007, for approval in the 2008 supplemental capital budget. The governor may remove projects from the list recommended by the committee and shall submit this amended list in the supplemental capital budget request to the legislature.

(3) Funds appropriated for distribution according to the provisions of RCW 79A.15.040(1)(c) shall be allocated forty percent to local government projects and sixty percent to state agency projects. If the cumulative total of local government projects is less than forty percent of the total distribution to this category, the difference may be allocated to state agency projects.

(4) \$627,299 of the appropriation from the riparian protection account is provided solely for the Chehalis river surge plain natural area preserve. This amount shall not be expended for the project until the department of natural resources has completed a management plan for the preserve that maintains recreational access and that management plan is presented to the house of representatives capital budget and senate ways and means committees.

**Appropriation:**

Outdoor Recreation Account--State . . . . .	\$36,000,000
Farmlands Preservation Account--State . . . . .	\$9,000,000
Riparian Protection Account--State . . . . .	\$19,000,000
Habitat Conservation Account--State . . . . .	\$36,000,000
Appropriation . . . . .	\$100,000,000

**Sec. 6005.**

(1) It is expected that projects be ready proceed in a timely manner depending on the type or phase of the project or program that is the subject of the appropriation in this act. Except for major projects that customarily may take more than two biennia to complete from predesign to the end of construction, or large infrastructure grant or loan programs supporting projects that often take more than two biennia to complete, the legislature generally does not intend to reappropriate funds more than once, particularly for smaller grant programs, local/community projects, and minor works.

(2) Agencies shall expedite the expenditure of reappropriations and appropriations in this act in order to: (a) Rehabilitate infrastructure resources; (b) accelerate environmental rehabilitation and restoration projects for the improvement of the state's natural environment; (c) reduce additional costs associated with acquisition and construction inflationary pressures; and (d) provide additional employment opportunities associated with capital expenditures. (3) To the extent feasible, agencies are directed to accelerate expenditure rates at their current level of permanent employees and shall use contracted design and construction services wherever necessary to meet the goals of this section.

**Sec. 6028.**

The interagency committee for outdoor recreation shall review its competitive process to solicit proposals for the wildlife and recreation grant program for potential funding in the state capital budget. The interagency committee for outdoor recreation shall submit a report to the office of financial management with recommendations on how to reduce its reappropriations by June 30, 2008.

**Sec. 6038.**

For appropriations under this act that 23 contribute to Puget Sound protection and recovery, the department of 24 ecology, the department of fish and wildlife, the department of natural 25 resources, the state conservation commission, the state parks and 26 recreation commission, the department of health, and the interagency 27 committee for outdoor recreation shall sign performance agreements with 28 the Puget Sound partnership as described in chapter . . . , (Engrossed 29 Substitute Senate Bill No. 5372, Puget Sound partnership), Laws of 30 2007.

# IAC 2007-09 Capital Budget

	<u>2005-07</u>	<u>2007-09</u>
<u>Program</u>	<u>Total</u>	<u>Total</u>
Aquatic Lands Enhancement Account Grant Program	5,024,500	5,025,000
Boating Facilities Program	7,271,000	8,021,000
Boating Infrastructure Program	200,000	200,000
Family Forest Fish Passage Program	4,150,000	6,000,000
Firearms and Archery Range Program	222,300	472,000
Hatchery Reform Program	6,000,000	6,000,000
Land and Water Conservation Fund	4,500,000	1,000,000
National Recreational Trails Program	2,800,000	3,500,000
Nonhighway and Off-Road Vehicle Activities Program	7,579,000	9,036,000
Puget Sound Acquisition and Restoration Projects	-	40,750,000
Salmon Recovery Funding Board	62,000,000	60,000,000
Washington Wildlife and Recreation Program	50,000,000	100,000,000
Youth Athletic Fields (YAF) *Reapprop*	2,500,000	2,500,000
<b>Total</b>	<b>152,246,800</b>	<b>242,504,000</b>