SENATE BILL 6691

State of Washington 60th Legislature 2008 Regular Session

By Senator Sheldon

Read first time 01/22/08. Referred to Committee on Water, Energy & Telecommunications.

AN ACT Relating to a pilot program establishing marine habitat mitigation banks in a certain area; adding a new chapter to Title 90 RCW; providing an effective date; and providing an expiration date.

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

5 <u>NEW SECTION.</u> Sec. 1. (1) The legislature finds that marine 6 habitat mitigation banks are an important tool for providing 7 compensatory mitigation and conservation for unavoidable impacts to 8 marine habitat. The legislature further finds that the benefits of 9 marine habitat mitigation banks include:

10 (a) Maintenance of the ecological functioning of marine habitat by 11 consolidating compensatory mitigation, habitat preservation, and 12 conservation into a single large parcel rather than smaller individual 13 parcels;

(b) Potential development of a landscape ecology plan that would facilitate the use of smaller individual parcels that could be connected through functional transportation corridors;

17 (c) Increased potential for the establishment and long-term 18 management of successful mitigation and conservation by bringing 1 together financial resources, planning, and scientific expertise not 2 practicable for many project-specific mitigation and conservation 3 proposals;

4 (d) Increased certainty over the success of mitigation and
5 conservation and the reduction of temporal losses of marine habitat
6 since mitigation and conservation banks are typically implemented and
7 functioning in advance of project impacts;

8 (e) Potential enhanced protection and preservation of the state's
9 highest value and highest functioning marine habitat;

10 (f) A reduction in permit processing times and increased 11 opportunity for more cost-effective compensatory mitigation and 12 conservation for development projects; and

(g) The ability to provide compensatory mitigation and conservation in an efficient, predictable, and economically and environmentally responsible manner.

(2) Therefore, the legislature finds that the establishment of
 marine habitat mitigation banks in select areas will help document the
 benefits to the state of marine habitat mitigation banks.

19NEW SECTION.Sec. 2.The definitions in this section apply20throughout this chapter unless the context clearly requires otherwise.

(1) "Bank sponsor" means any public or private entity responsible
for establishing and, in most circumstances, operating a bank.

(2) "Banking instrument" means the documentation of agency and bank sponsor concurrence on the objectives and administration of the bank that describes in detail the physical and legal characteristics of the bank, including the service area, and how the bank will be established and operated.

(3) "Credit" means a unit of trade representing the increase in the
 ecological value of the site, as measured by acreage, functions, or
 values, or by some other assessment method.

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(4) "Department" means the department of ecology.

32 (5) "Marine habitat mitigation bank" or "bank" means a site where 33 marine habitat is restored, enhanced, or, in exceptional circumstances, 34 preserved expressly for the purpose of providing compensatory 35 mitigation in advance of authorized impacts to similar resources.

(6) "Mitigation" means sequentially avoiding impacts, minimizingimpacts, and compensating for remaining unavoidable impacts.

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(7) "Pilot program" means a program established under this chapter
 to establish a marine habitat mitigation bank in the service area to
 document the potential uses of a marine habitat mitigation bank.

4 (8) "Practicable" means available and capable of being done after
5 taking into consideration cost, existing technology, and logistics in
6 light of overall project purposes.

7 (9) "Service area" means a Puget Sound county in which southern
8 Puget Sound and southern Hood Canal are both located.

9 (10) "Unavoidable" means adverse impacts that remain after all 10 appropriate and practicable avoidance and minimization have been 11 achieved.

12 <u>NEW SECTION.</u> **Sec. 3.** The department shall establish a pilot 13 program to establish a marine habitat mitigation bank in the service 14 area. Further, the department shall, together with county legislative 15 authorities and affected tribes, approve a bank sponsor in the service 16 area. The department shall certify the bank sponsor pursuant to 17 chapter 90.84 RCW and any rules adopted under that chapter.

18 <u>NEW SECTION.</u> Sec. 4. Prior to authorizing use of credits from a bank as a means of mitigation under a permit issued or approved by the 19 20 department, the department must ensure that all appropriate and practicable steps have been undertaken to first avoid and then minimize 21 22 adverse impacts to marine habitat. In determining appropriate steps to 23 avoid and minimize adverse impacts to marine habitat, the department shall take into consideration the functions and values of the marine 24 25 land, including fish habitat and protection of adjacent properties. The department may approve the use of credits from a bank when: 26

(1) The credits represent the restoration or enhancement of marine
habitat of like kind and in close proximity when marine habitat are
being mitigated;

30 (2) There is no practicable opportunity for on-site compensation;
31 or

32 (3) Use of credits from a bank is environmentally preferable to on-33 site compensation.

34 <u>NEW SECTION.</u> Sec. 5. The department, in consultation with the

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1 bank sponsor approved under this chapter, shall submit a report to the 2 appropriate standing committees of the legislature by June 30, 2010. 3 The report must include:

4 (1) A description of the marine habitat mitigation banks in 5 operation in the service area;

6 (2) A description of the projects for which the credits were used 7 for compensatory purposes, including a description of the marine 8 habitat impacts for which compensation was required; and

9 (3) Recommendations for any changes necessary to make the marine 10 habitat mitigation bank provisions of this chapter operate more 11 effectively and to possibly expand this pilot program for the 12 establishment of banks outside the service area.

13 <u>NEW SECTION.</u> Sec. 6. A bank certified under section 3 of this act 14 may continue to operate under chapter 90.84 RCW.

15 <u>NEW SECTION.</u> Sec. 7. Sections 1 through 5 and 7 of this act 16 expire June 30, 2011.

17 <u>NEW SECTION.</u> Sec. 8. This act takes effect July 1, 2008.

18 <u>NEW SECTION.</u> Sec. 9. Sections 1 through 8 of this act constitute 19 a new chapter in Title 90 RCW.

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