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ENGROSSED SUBSTITUTE HOUSE BILL 1785

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State of Washington

57th Legislature

2001 Regular Session

By House Committee on Natural Resources (originally sponsored by Representatives Murray, Alexander, Doumit, Rockefeller, Esser, Sump, Kenney and McIntire)

Read first time . Referred to Committee on .

1 AN ACT Relating to implementing the recommendations of the joint  
2 legislative audit and review committee report regarding capital budget  
3 programs investing in the environment; amending RCW 79.24.580; adding  
4 a new section to chapter 43.41 RCW; adding a new section to chapter  
5 89.08 RCW; adding a new section to chapter 90.64 RCW; adding a new  
6 section to chapter 70.105D RCW; adding a new section to chapter 70.146  
7 RCW; adding a new section to chapter 79A.15 RCW; adding a new section  
8 to chapter 77.85 RCW; adding a new section to chapter 43.155 RCW; and  
9 creating a new section.

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

11 NEW SECTION. **Sec. 1.** The legislature finds that the amount of  
12 overall requests for funding for natural resource-related programs in  
13 the capital budget has been steadily growing. The legislature also  
14 finds that there is an increasing interest by the public in examining  
15 the performance of the projects and programs to determine the return on  
16 their investments and that a coordinated and integrated response by  
17 state agencies will allow for better targeting of resources. The  
18 legislature further finds that there is a need to improve the data and  
19 the integration of data that is collected by state agencies and grant

1 and loan recipients in order to better measure the outcomes of projects  
2 and programs. The legislature intends to begin implementing the  
3 recommendations contained in the joint legislative audit and review  
4 committee's report number 01-1 on investing in the environment in order  
5 to improve the efficiency, effectiveness, and accountability of these  
6 natural resource-related programs funded in the state capital budget.

7 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.41 RCW  
8 to read as follows:

9 (1) The office of financial management shall assist natural  
10 resource-related agencies in developing outcome focused performance  
11 measures for administering natural resource-related and environmentally  
12 based grant and loan programs. These performance measures are to be  
13 used in determining grant eligibility, for program management and  
14 performance assessment.

15 (2) The office of financial management and the governor's salmon  
16 recovery office shall assist natural resource-related agencies in  
17 developing recommendations for a monitoring program to measure outcome  
18 focused performance measures required by this section.

19 (3) Natural resource agencies shall consult with grant or loan  
20 recipients including local governments, tribes, nongovernmental  
21 organizations, and other interested parties, and report to the office  
22 of financial management on the implementation of this section. The  
23 office of financial management shall report to the natural resource and  
24 fiscal committees of the legislature on the agencies' implementation of  
25 this section, including any necessary changes in current law, and  
26 funding requirements by July 31, 2002. Natural resource agencies shall  
27 assist the office of financial management in preparing the report,  
28 including complying with time frames for submitting information  
29 established by the office of financial management.

30 (4) For purposes of this section, "natural resource-related  
31 agencies" include the department of ecology, the department of natural  
32 resources, the state conservation commission, the interagency committee  
33 for outdoor recreation, the salmon recovery funding board, and the  
34 public works board within the department of community, trade, and  
35 economic development.

36 (5) For purposes of this section, "natural resource-related  
37 environmentally based grant and loan programs" include the conservation  
38 reserve enhancement program; dairy nutrient management grants under

1 chapter 90.64 RCW; state conservation commission water quality grants  
2 under chapter 89.08 RCW; coordinated prevention grants, public  
3 participation grants and remedial action grants under RCW 70.105D.070;  
4 water pollution control facilities financing under chapter 70.146 RCW;  
5 aquatic lands enhancement grants under RCW 79.24.580; habitat grants  
6 under the Washington wildlife and recreation program under RCW  
7 79A.15.040; salmon recovery grants under chapter 77.85 RCW; and the  
8 public work trust fund program under chapter 43.155 RCW.

9 NEW SECTION. **Sec. 3.** A new section is added to chapter 89.08 RCW  
10 to read as follows:

11 In administering grant programs to improve water quality and  
12 protect habitat, the commission shall require grant recipients to  
13 incorporate the environmental benefits of the project into their grant  
14 applications, and the commission shall utilize the statement of  
15 environmental benefit in its grant prioritization and selection  
16 process. The commission shall also develop appropriate outcome focused  
17 performance measures to be used both for management and performance  
18 assessment of the grant program. The commission shall work with the  
19 districts to develop uniform performance measures across participating  
20 districts. To the extent possible, the commission should coordinate  
21 its performance measure system with other natural resource-related  
22 agencies. The commission shall consult with affected interest groups  
23 in implementing this section.

24 NEW SECTION. **Sec. 4.** A new section is added to chapter 90.64 RCW  
25 to read as follows:

26 In providing grants to dairy producers, districts shall require  
27 grant applicants to incorporate the environmental benefits of the  
28 project into their applications, and the districts shall utilize the  
29 statement of environmental benefit in their prioritization and  
30 selection process. The districts shall also develop appropriate  
31 outcome focused performance measures to be used both for management and  
32 performance assessment of the program. The commission shall work with  
33 the districts to develop uniform performance measures across  
34 participating districts. To the extent possible, the commission should  
35 coordinate its performance measure system with other natural resource-  
36 related agencies. The commission shall consult with affected interest  
37 groups in implementing this section.

1        NEW SECTION.    **Sec. 5.**    A new section is added to chapter 70.105D  
2 RCW to read as follows:

3        In providing grants to local governments, the department shall  
4 require grant recipients to incorporate the environmental benefits of  
5 the project into their grant applications, and the department shall  
6 utilize the statement of environmental benefit in its prioritization  
7 and selection process. The department shall also develop appropriate  
8 outcome focused performance measures to be used both for management and  
9 performance assessment of the grant program. To the extent possible,  
10 the department should coordinate its performance measure system with  
11 other natural resource-related agencies. The department shall consult  
12 with affected interest groups in implementing this section.

13        NEW SECTION.    **Sec. 6.**    A new section is added to chapter 70.146 RCW  
14 to read as follows:

15        In providing grants and loans to local governments, the department  
16 shall require recipients to incorporate the environmental benefits of  
17 the project into their applications, and the department shall utilize  
18 the statement of environmental benefits in its grant and loan  
19 prioritization and selection process. The department shall also  
20 develop appropriate outcome focused performance measures to be used  
21 both for management and performance assessment of the grant and loan  
22 program. To the extent possible, the department should coordinate its  
23 performance measure system with other natural resource-related  
24 agencies. The department shall consult with affected interest groups  
25 in implementing this section.

26        **Sec. 7.**    RCW 79.24.580 and 1999 c 309 s 919 are each amended to  
27 read as follows:

28        After deduction for management costs as provided in RCW 79.64.040  
29 and payments to towns under RCW 79.92.110(2), all moneys received by  
30 the state from the sale or lease of state-owned aquatic lands and from  
31 the sale of valuable material from state-owned aquatic lands shall be  
32 deposited in the aquatic lands enhancement account which is hereby  
33 created in the state treasury. After appropriation, these funds shall  
34 be used solely for aquatic lands enhancement projects; for the  
35 purchase, improvement, or protection of aquatic lands for public  
36 purposes; for providing and improving access to such lands; and for  
37 volunteer cooperative fish and game projects.

1 In providing grants for aquatic lands enhancement projects, the  
2 department shall require grant recipients to incorporate the  
3 environmental benefits of the project into their grant applications,  
4 and department shall utilize the statement of environmental benefits in  
5 its prioritization and selection process. The department shall also  
6 develop appropriate outcome focused performance measures to be used  
7 both for management and performance assessment of the grants. To the  
8 extent possible, the department should coordinate its performance  
9 measure system with other natural resource-related agencies. The  
10 department shall consult with affected interest groups in implementing  
11 this section.

12 During the fiscal biennium ending June 30, 2001, the funds may be  
13 appropriated for boating safety, shellfish management, enforcement, and  
14 enhancement and for developing and implementing plans for population  
15 monitoring and restoration of native wild salmon stock.

16 NEW SECTION. Sec. 8. A new section is added to chapter 79A.15 RCW  
17 to read as follows:

18 In providing grants through the habitat conservation account, the  
19 committee shall require grant applicants to incorporate the  
20 environmental benefits of the project into their grant applications,  
21 and the committee shall utilize the statement of environmental benefits  
22 in the grant application and review process. The committee shall also  
23 develop appropriate outcome focused performance measures to be used  
24 both for management and performance assessment of the grant program.  
25 To the extent possible, the department should coordinate its  
26 performance measure system with other natural resource-related  
27 agencies. The committee shall consult with affected interest groups in  
28 implementing this section.

29 NEW SECTION. Sec. 9. A new section is added to chapter 77.85 RCW  
30 to read as follows:

31 In providing funding for habitat projects, the board shall require  
32 recipients to incorporate the environmental benefits of the project  
33 into their grant applications, and the board shall utilize the  
34 statement of environmental benefits in its prioritization and selection  
35 process. The board shall also develop appropriate outcome focused  
36 performance measures to be used both for management and performance  
37 assessment of the grant program. To the extent possible, the board

1 should coordinate its performance measure system with other natural  
2 resource-related agencies. The board shall consult with affected  
3 interest groups in implementing this section.

4 NEW SECTION. **Sec. 10.** A new section is added to chapter 43.155  
5 RCW to read as follows:

6 In providing loans for public works projects, the board shall  
7 require recipients to incorporate the environmental benefits of the  
8 project into their applications, and the board shall utilize the  
9 statement of environmental benefits in its prioritization and selection  
10 process. The board shall also develop appropriate outcome focused  
11 performance measures to be used both for management and performance  
12 assessment of the loan program. To the extent possible, the department  
13 should coordinate its performance measure system with other natural  
14 resource-related agencies. The board shall consult with affected  
15 interest groups in implementing this section.

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