
Ways & Means Committee

E2SSB 5669

Brief Description: Regarding the consolidation of natural resources agencies and programs.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Ranker, Swecker, Regala, Rockefeller, Nelson, White, Pflug and Shin; by request of Governor Gregoire).

Brief Summary of Engrossed Second Substitute Bill

- Directs specified natural resources agencies to conduct certain actions involving the consolidation of administrative regions, services, and functions.
- Consolidates the Pollution Liability Insurance Agency, certain reclaimed water functions, and certain support functions for the Columbia River Gorge Commission into the Department of Ecology.
- Consolidates low-level radioactive waste site use permitting functions into the Department of Health.

Hearing Date: 5/23/11

Staff: Owen Rowe (786-7391) and Jason Callahan (786-7117).

Background:

Natural Resources Agencies Overview.

Washington has a number of state agencies and programs involved in the management of the state's natural resources and the environment. Some of these agencies and programs include the Washington State Department of Agriculture (WSDA), the Department of Ecology (DOE), the Washington Department of Fish and Wildlife (WDFW), the Department of Natural Resources (DNR), the Recreation and Conservation Office (RCO), the Puget Sound Partnership (PSP), and the State Parks and Recreation Commission (SPRC).

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

These agencies are arranged in an array of governance structures. For instance, the DNR is led by an independently elected official. By contrast, the WDFW and the SPRC are governed by citizen commissions with members appointed by the Governor. The Director of the DOE is appointed directly by the Governor.

In addition to the larger agencies, the elements of the state's overall governance structure, as it relates to natural resources and the environment, includes a number of smaller agencies, programs jointly managed by multiple agencies, and programs managed by agencies with missions beyond natural resources management.

Overview of Relevant Natural Resources Programs.

Pollution Liability Insurance Agency. The Pollution Liability Insurance Agency (PLIA) offers insurance coverage for cleanup of contamination from active heating oil tanks that are registered in the program prior to contamination occurring. The PLIA serves as the reinsurer for policies that cover underground storage tanks (USTs) and provides financial assistance to public and private owners and operators of USTs that are certified as meeting vital local government public health and safety needs.

Reclaimed Water Program. Reclaimed water is an effluent derived from a wastewater treatment system that has been treated to be suitable for a beneficial use that otherwise would not occur. Reclaimed water may be used for a variety of non-potable water purposes, including irrigation, agricultural uses, industrial and commercial uses, streamflow augmentation, dust control, fire suppression, surface percolation, and discharge into constructed wetlands. The Department of Health (DOH) issues permits to water generators for commercial or industrial uses of reclaimed water. The DOE issues reclaimed water permits for land applications of reclaimed water.

Columbia River Gorge Commission. The federal Columbia River Gorge National Scenic Area Act (Act) authorized an interstate compact between Washington and Oregon to create the Columbia River Gorge Commission (CRGC). The CRGC develops and adopts land use and resource protection policies for nonfederal lands through the Scenic Area Management Plan. The CRGC serves as the appeals board when Washington or Oregon land use decisions in the Columbia River Gorge area are challenged. The CRGC works with the counties in Washington and Oregon that are administering the land use ordinances that implement the Scenic Area Management Plan.

Site Use Permit Authority. The Northwest Interstate Compact on Low-Level Radioactive Waste Management (Compact) consists of eight states, including Washington. The commercial low-level radioactive waste disposal facility is located near the center of the Hanford Site on approximately 100 acres of federal land leased to the state of Washington. The DOE implements requirements of the Compact, including the administration of a user permit system and the issuance of site use permits for generators, packagers, or brokers using the commercial low-level radioactive waste disposal site. The DOH is responsible for implementing a regulatory and inspection program for ionizing radiation and issues licenses for the receipt and disposal of low-level radioactive waste. It is authorized to inspect the premises and determine financial assurance for a license applicant.

Summary of Bill:

Consolidation of Administrative Services, Functions, and Regions.

The WSDA, the DOE, the WDFW, the DNR, the PSP, and the SPRC must each appoint a representative to a natural resources consolidation team (team). The team must coordinate with the Office of Financial Management (OFM) to identify regional or field offices that are appropriate for use as a shared facility that maximizes the co-location of staff and resources. The team must also identify and implement cross agency efficiencies by maximizing the consolidation of administrative functions. The administrative functions that must be considered by the team include human resources, communications, budgeting, accounting, and information technology.

The team may invite additional participants to aid it in its mission and may consult with the OFM, the Department of Personnel, or any other agency as necessary. A brief summary of the team's efforts, including any legislative or budget recommendations, must be provided to the OFM and the Legislature by September 1, 2011. A second summary must be submitted one year later.

The WDFW and the DNR are required to develop a plan for consolidating their existing six administrative regions into four per agency. The administrative region consolidation plan, along with an analysis of the cost and benefits of regional consolidation, must be provided to the OFM and the Legislature by September 1, 2011. No reductions in the number of administrative regions must occur absent future legislative direction.

The State Conservation Commission (Commission) must work with conservation districts to facilitate the consolidation of conservation districts with a goal of reducing the total number to 39. The Commission must provide a progress report to the appropriate legislative committees by October 1, 2011.

Transfer of the PLIA into the DOE.

The PLIA is transferred its entirety into the DOE. The nature of the PLIA is changed from an independent agency into a program within the DOE. The Director of the DOE is assigned the responsibility of appointing the administrative head of the newly branded pollution liability insurance program. This appointment, unlike the Governor's appointment to head the PLIA as an agency, is not subject to Senate consent. The scheduled June 1, 2013, expiration of the program run by the PLIA is maintained.

Upon transfer to the DOE, all funds, equipment, appropriations, personnel, and other assets are transferred to the DOE. Any question as to how the transfer of assets will occur is to be settled by the OFM. The transfer of employees is to occur without the loss of rights under the state's civil service laws and all of the PLIA's classified employees will be considered as part of the DOE's bargaining unit. All existing contacts with the PLIA are still in full force.

Provision of Support to the CRGC by the DOE.

The DOE is directed to provide administrative and functional assistance to the CRGC, including providing the CRGC's budget proposal to the Governor. The legal status of the CRGC as an entity resulting from a bi-state contract is not changed. The DOE's budget request, and the state's

budgeting, will recognize the CRGC as a separate program and all of the CRGC's funding must be accounted for separately.

Consolidation of Reclaimed Water Management into the DOE.

All elements of the state's reclaimed water program are consolidated into the DOE. The elements managed by the DOH are transferred to the DOE. Entities that the DOE may permit to use reclaimed water include both the owner of an agricultural processing facility generating agricultural industrial process water for agricultural use and the owner of an industrial facility generating industrial process water for reuse. The existing advisory committee that guides the reclaimed water program is expanded to include participation by the DOH. In addition, the DOE is directed to consult with the DOH in cases where a proposed use of reclaimed water may pose a public safety risk.

Upon consolidation of the reclaimed water program in the DOE, all funds, equipment, appropriations, personnel, and other assets of the DOH's reclaimed water program are transferred to the DOE. Any question as to how the transfer of assets will occur is to be settled by the OFM. The transfer of employees is to occur without the loss of rights under the state's civil service laws and all of the DOH's affected classified employees will be considered as part of the DOE's bargaining unit. All existing contacts with the DOH are still in full force.

Consolidation of the Low-level Radioactive Waste Site Use Permitting Functions into the DOH.

The DOH is designated as the agency responsible for the administration of a user permit system and issue site use permits for generators, packagers, or brokers to use the commercial low-level radioactive waste disposal site. Upon transfer of the site use permit system in the DOH, all funds, equipment, appropriations, personnel, and other assets of the DOE's site use permit program are transferred to the DOH. Any question as to how the transfer of assets will occur is to be settled by the OFM. The transfer of employees is to occur without the loss of rights under the state's civil service laws and all of the DOE's affected classified employees will be considered as part of the DOH's bargaining unit. All existing contacts with the DOE are still in full force.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect July 1, 2011; however, the consolidation of programs and agencies is not required to occur until July 1, 2012.