

HOUSE BILL REPORT

HB 2286

As Reported by House Committee On:

Agriculture and Natural Resources

Title: An act relating to creating a capital grant program to support recovery of salmon and steelhead stocks.

Brief Description: Creating a capital grant program to support recovery of salmon and steelhead stocks.

Sponsors: Representatives Wilcox, Kretz, Dent, Cheney, Barkis and Barnard.

Brief History:

Committee Activity:

Agriculture and Natural Resources: 1/23/24, 1/31/24 [DP].

Brief Summary of Bill

- Establishes a high-risk salmon and steelhead capital grant program within the Recreation and Conservation Office (RCO).
- Directs the RCO to award grants pursuant to prioritization recommendations by the grant program advisory committee.
- Requires the advisory committee to consult with the Department of Fish and Wildlife and the National Oceanic and Atmospheric Administration to determine the watersheds that contain critical salmon and steelhead stocks.

HOUSE COMMITTEE ON AGRICULTURE AND NATURAL RESOURCES

Majority Report: Do pass. Signed by 11 members: Representatives Chapman, Chair; Morgan, Vice Chair; Reeves, Vice Chair; Dent, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; Kloba, Kretz, Lekanoff, Orcutt, Schmick and Springer.

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

Staff: Robert Hatfield (786-7117).

Background:

Salmon Recovery.

Several species of salmon, as well as Puget Sound steelhead trout, are listed as either threatened or endangered under the federal Endangered Species Act (ESA). The Department of Fish and Wildlife (WDFW) is responsible for managing the state's fish and wildlife resources. Several other state agencies, including the Departments of Ecology and Natural Resources, the State Conservation Commission, and the Recreation and Conservation Office (RCO), either have regulatory authority with respect to various aspects of natural resource and land management related to salmon recovery, administering grant funding for salmon recovery projects, or both.

Recreation and Conservation Office.

The RCO administers several grant programs for numerous boards and councils to create outdoor recreational opportunities, protect the state's wildlife habitat and farmland, and assist salmon recovery efforts.

Salmon Recovery Funding Board.

The Salmon Recovery Funding Board (SRF Board) is responsible for making grants and loans for salmon habitat projects and salmon recovery activities from the amounts appropriated to the SRF Board for this purpose. The SRF Board consists of five voting Governor appointees and five state officials serving as ex officio nonvoting members.

Regional Fisheries Enhancement Groups.

The Washington Legislature authorized the creation of Regional Fisheries Enhancement Groups (RFEG) in 1990. Each of the 14 current RFEGs are separate, nonprofit organizations led by their own board of directors and supported by their members. The statutory goals of RFEGs are centered around enhancing the salmon and steelhead resources of the state, including developing projects designed to supplement fishery enhancement capability of the WDFW, and maximizing volunteer efforts and private donations to improve the salmon and steelhead resources for all citizens.

Summary of Bill:

High-risk Salmon and Steelhead Capital Grant Program.

A high-risk salmon and steelhead capital grant program is established. Subject to the availability of funds, the Recreation and Conservation Office (RCO) must award grants pursuant to the grant program. Grants must be prioritized by the grant program advisory committee. The primary benefit of projects funded through the grant program must be directed to watersheds that contain the high-risk salmon and steelhead stocks identified by the advisory committee.

Only the following entities are eligible for grants through the high-risk salmon and steelhead capital grant program:

- tribes;
- private landowners;
- private institutions;
- counties;
- cities;
- towns;
- local governmental agencies;
- state agencies;
- nonprofit organizations;
- regional fisheries enhancement groups;
- lead entities; and
- federal agencies.

Only the following types of projects are eligible for grants through the high-risk salmon and steelhead capital grant program:

- habitat acquisition;
- habitat restoration, including fish passage projects, environmental clean-up projects, and instream habitat improvement projects;
- habitat conservation through long-term easements;
- irrigation efficiency projects that improve instream flow;
- emergency response; and
- future threat abatement.

High-Risk Salmon and Steelhead Capital Grant Program—Advisory Committee.

The RCO must appoint an advisory committee to prioritize and award grants awarded through the high-risk salmon and steelhead capital grant program. The RCO must participate in the advisory committee in an administrative and nonvoting capacity. The RCO must invite tribal governments to participate as members of the advisory committee and the RCO must also make best efforts to include representation on the advisory committee from each of the following entities:

- the Salmon Recovery Funding Board;
- the Department of Fish and Wildlife (WDFW);
- the Department of Natural Resources;
- the Washington State Association of Counties;
- the Association of Washington Cities;
- the lead entities; and
- the regional fisheries enhancement groups.

Prior to each application cycle of the grant program, the advisory committee must consult with the WDFW and the National Oceanic and Atmospheric Administration to determine the watersheds that contain salmon and steelhead stocks in the following categories:

- listed stocks deemed at highest risk of extinction;
- stocks deemed at highest risk of being listed under the federal Endangered Species Act (ESA); and
- listed stocks deemed closest to delisting.

Only the watersheds identified through this consultative process are eligible locations for grant funding in each application cycle under the grant program. The advisory committee must use this salmon and steelhead stock information to develop the project prioritization process for awarding grants.

The advisory committee must develop, by consensus, a grant application prioritization process for ranking the applications in the grant program that results in the most long-term habitat benefit for the high-risk stocks.

In ranking project applications, the advisory committee must also consider how each project would be situated within the broader framework of existing state and federal salmon and steelhead recovery investments, to maximize project benefits to high-risk stocks. The prioritization criteria developed by the advisory committee must be updated periodically to reflect the WDFW's analysis of data collected under the grant program, other relevant data collection by state and federal agencies, and changes over time to scientific consensus regarding best practices for salmon and steelhead recovery.

Grant applicants must include estimates of the project's effects, including:

- fry and smolt survival rates for the relevant highest risk stocks;
- adult returns for the relevant high-risk stocks;
- water flow, quality, and temperature, as applicable; and
- water nutrients and ecology, as applicable.

High-risk Salmon and Steelhead Capital Grant Program—Role of the Department of Fish and Wildlife.

The WDFW must assist grant applicants by providing technical assistance. The WDFW must also collect data that measure changes in salmon and steelhead survival and habitat quality resulting from projects funded under the high-risk salmon and steelhead capital grant program.

High-risk Salmon and Steelhead Capital Grant Program—Role of the Recreation and Conservation Office.

The RCO must develop three lists of prioritized grants for the three classes of salmon and steelhead stock: those closest to extinction, those closest to listing under the ESA, and those closest to delisting under the ESA. The RCO must propose these lists of grants to the Governor by September 1 of even-numbered years, beginning September 1, 2024.

Subject to the availability of viable proposals, the RCO and the Governor must each propose a total appropriation of at least \$50 million in their respective omnibus capital

appropriations act requests to support grants under the grant program. The omnibus capital appropriations act requests of the RCO and the Governor pursuant must also follow the prioritized lists prepared by the advisory committee unless new information determines that a specific project is no longer viable as proposed.

Grant Amounts, Matching Nonstate Funding, and Administrative Expenses.

Individual grants awarded under the grant program may not exceed \$5 million. Grant applicants must provide matching nonstate funding equal to at least 15 percent of the total project cost.

The RCO may use up to 4.12 percent of any amounts appropriated for the grant program for administrative purposes.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) Although the state has been putting dollars into salmon recovery for many years, the effort is failing. That failure has created serious impacts on people in Washington state, first and foremost on Washington's tribes. The treaties that the United States signed with tribes guaranteed that tribes would be able to fish as they had in the past. Because the state has failed at the task of salmon recovery, and because there is a shrinking resource, there is much bitterness. This bill is all about recovering habitat. The bill is very focused. With the bill, the goal is to focus on salmon stocks that are most at risk of being listed under the Endangered Species Act (ESA), or that have the greatest chance of being delisted under the ESA, and to then get rid of all the complications that come with having a salmon population listed under the ESA.

There is full support for directing funding at the three categories of salmon stocks identified in the bill. For example, the fall run of chinook salmon in the Stillaguamish River is listed under the ESA and it significantly limits fishing opportunities in that area. Lake chum in the Nisqually River are very near to being listed. Hood Canal summer chum run is very close to being delisted, which will make it the first salmon species in the country to be delisted under the ESA. One suggestion for change in the bill is to work closely with the Recreation and Conservation Office (RCO) to make sure the bill is not creating a redundant process. Having an advisory committee advise the Salmon Recovery Funding Board (SRF Board) would be very helpful. It is important that any process created in the bill is complementary to the SRF Board process.

The quality of Washington's salmon runs and wildlife is a measure of the lives and health of Washingtonians. If the state lets its salmon runs deteriorate, the state is letting the quality of people's lives deteriorate. There is some overlap between this bill and other efforts. There needs to be some thought given to not duplicating efforts, but rather to enhancing existing efforts.

(Opposed) None.

(Other) There are aspects of the bill that have merit, but there are concerns. There is a need for consistent funding for salmon recovery, and the bill does that. There also needs to be a prioritization process, and the RCO has developed policy along the lines of the prioritization process in the bill. There are concerns about duplicative process, and about adding process to an already robust process that grants go through for salmon recovery funding. There is a desire to avoid adding process that runs counter to the efficient implementation of salmon recovery projects.

The bill addresses a conflict between two salmon recovery theories in Washington: one is to spread the money all around the state so that no watershed is left behind, and the other theory is that there are some stocks that need to be particularly focused on because they are at risk. This bill breaks the deadlock between the two theories. The legislation is science-based and puts the most effective projects at top of the list. The bill does not care what a particular project is; rather, the bill focuses on what will deliver the most value in terms of salmon recovery.

Persons Testifying: (In support) Representative J.T. Wilcox, prime sponsor; James T Wilcox JR, Wilcox Family Farms; and David Troutt, Nisqually Indian Tribe.

(Other) Todd Myers, Washington Policy Center; and Brock Milliern, Recreation Conservation Office.

Persons Signed In To Testify But Not Testifying: John Worthington.