

**SENATE BILL REPORT**

**SSB 5612**

**AS PASSED SENATE, MARCH 18, 1991**

**Brief Description:** Changing provisions relating to natural resources conservation areas.

**SPONSORS:** Senate Committee on Environment & Natural Resources (originally sponsored by Senators Bluechel, Snyder, Metcalf and Stratton; by request of Department of Natural Resources).

**SENATE COMMITTEE ON ENVIRONMENT & NATURAL RESOURCES**

**Majority Report:** That Substitute Senate Bill No. 5612 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Metcalf, Chairman; Oke, Vice Chairman; Barr, Conner, Owen, Patterson, Snyder, and Sutherland.

**Staff:** Gabrielle Horner (786-7717)

**Hearing Dates:** February 21, 1991

**SENATE COMMITTEE ON WAYS & MEANS**

**Majority Report:** That Substitute Senate Bill No. 5612 as recommended by Committee on Environment & Natural Resources be substituted therefor, and the substitute bill do pass.

Signed by Senators McDonald, Chairman; Bailey, Bauer, Bluechel, Cantu, Gaspard, Johnson, L. Kreidler, Metcalf, Murray, Niemi, Rinehart, Saling, L. Smith, Talmadge, West, Williams, and Wojahn.

**Staff:** Michael Groesch (786-7715)

**Hearing Dates:** March 11, 1991

**HOUSE COMMITTEE ON NATURAL RESOURCES & PARKS**

**BACKGROUND:**

In 1987, the Legislature established the Natural Resource Conservation Area (NRCA) program within the Department of Natural Resources, to protect and conserve areas that have retained their natural character to some degree, or that contain important biological, geological, archaeological, or other special features. Land acquisition was financed by proceeds from a 0.06 percent surcharge on real estate excise taxes through June 30, 1989.

NRCA land can be acquired through private purchases at fair market value, trust land transfers, or purchased through the Washington Wildlife and Recreation Program fund (WWRP). NRCAs

are managed for limited, but compatible, public uses such as maintaining ecological systems, maintaining scenic landscapes, maintaining habitat for threatened or endangered species, enhancing sites for primitive recreational purposes, and outdoor environmental education. NRCA management can include limited production of income from forestry, agriculture, or other activities consistent with the program's objectives.

Modifications to the NRCA chapter are needed to clarify the program's intent, to repeal language related to the excise tax that is no longer collected, and to authorize using the remainder of the funds generated by the excise tax for management purposes.

**SUMMARY:**

Low-impact public uses are authorized within Natural Resources Conservation Areas (NRCA) and are defined as recreational uses that do not adversely affect resource values, are appropriate to maintaining a natural setting, and that do not detract from long-term ecological processes. Prior to establishing the boundary of a NRCA, a public hearing must be held in the county where the majority of the land is located.

Funds eligible for deposit into the NRCA stewardship account are expanded to include account interest, grants, income from NRCA management, and earnings from account investments. Two million dollars of the account balance must remain in the account as an endowment. Only endowment interest is available for appropriation to DNR for designated land management purposes. Investment income from this account is exempt from the general requirement that 20 percent of such income be transferred to the general fund. The State Treasurer may not deduct a fee for managing the account.

The NRCA stewardship account can only be used to manage NRCAs, trust land transfers to the program, lands acquired as natural preserves, and lands acquired for the NRCA program by the Washington Wildlife and Recreation Program.

The section establishing the conservation area account is repealed. The remaining funds in the account are transferred to the NRCA stewardship account.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** requested February 19, 1991

**TESTIMONY FOR:**

Interest from the NRCA stewardship account endowment will provide a continuous source of funding for NRCA management activities. As enacted in 1987, the NRCA act provided no statutorily designated funding source for NRCA management. The endowment interest income will provide approximately

\$400,000 biennially for NRCA and natural area preserve management.

**TESTIMONY AGAINST:** None

**TESTIFIED:** Stan Biles, Department of Natural Resources (pro)

**HOUSE AMENDMENT(S):**

Interest earnings from the natural resources conservation areas (NRCA) stewardship account are to be deposited into the general fund, not back into the account. The State Treasurer may deduct a fee for managing the account. A \$2 million endowment in the NRCA stewardship account is eliminated.

The operating expenses of the Natural Heritage Program are to be funded by the NRCA stewardship account.