

SENATE BILL REPORT

SB 5612

AS REPORTED BY COMMITTEE ON WAYS & MEANS, MARCH 11, 1991

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

SPONSORS: 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 (786-771)

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

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:

Existing definitions and criteria related to the creation, meaning and management of natural resource conservation areas are modified to clarify the program's intent.

Funds eligible for deposit into the natural resources conservation areas stewardship account are expanded to include account interest, grants, income from NRCA management, and earnings from account investments. The State Treasurer may not deduct a fee for managing the account.

The NRCA stewardship account shall also be used to manage trust land transfers to the program, and lands acquired as natural preserves.

The section establishing the conservation area account is repealed.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

EFFECT OF PROPOSED SUBSTITUTE:

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)