

# SENATE BILL REPORT

## SB 5348

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As Reported by Senate Committee On:  
Natural Resources, Ocean & Recreation, February 05, 2009

**Title:** An act relating to removing references to mitigation banking project eligibility for moneys in the habitat conservation account and the riparian protection account.

**Brief Description:** Removing references to mitigation banking project eligibility for moneys in the habitat conservation account and the riparian protection account.

**Sponsors:** Senators Swecker, Haugen, Jacobsen, Parlette, Rockefeller and Shin; by request of The Recreation and Conservation Funding Board.

**Brief History:**

**Committee Activity:** Natural Resources, Ocean & Recreation: 2/04/09, 2/05/09 [DP].

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### SENATE COMMITTEE ON NATURAL RESOURCES, OCEAN & RECREATION

**Majority Report:** Do pass.

Signed by Senators Jacobsen, Chair; Ranker, Vice Chair; Morton, Ranking Minority Member; Fraser, Hatfield, Stevens and Swecker.

**Staff:** Sherry McNamara (786-7402)

**Background:** The Washington Wildlife and Recreation Program (WWRP) provides funds for the acquisition and development of outdoor recreation and habitat conservation areas. Counties, cities, ports, park and recreation districts, school districts, state agencies, and tribes are eligible to apply. Grant applications are evaluated annually and the Recreation and Conservation Funding Board (Board) submits a list of prioritized projects to the Governor and the Legislature for approval.

In 2005 the Legislature made mitigation banking projects eligible to receive grants in the Urban Wildlife Habitat, Critical Habitat, and Riparian Protection categories of the WWRP. Mitigation banking projects are wetlands that have been restored, enhanced, created, or preserved in order to establish valuable wetland functions.

**Summary of Bill:** Mitigation banking project eligibility is removed from the Critical Habitat and Urban Wildlife Habitat categories of the Habitat Conservation Account.

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*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.*

Mitigation banking project eligibility is removed from the Riparian Protection category of the Riparian Protection Account.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO: The Board considered the mitigation banking project as a way to explore and evaluate the issues surrounding this type of banking project. Since 2006 the Board received four applications, of which two were funded. One was withdrawn and the other was not sure if they wanted to be a mitigation bank. Federal regulations regarding tax-exempt bond funds restrict the use of public dollars for private gain; this reduced the opportunity to use the money in the mitigation banking projects. These projects also take a significant amount of time to complete. The average time for a mitigation wetland project is six to eight years, which means the Legislatures has to re-appropriate the funding several times in order to be used. Mitigation banking projects are not a good fit for WWRP grants.

**Persons Testifying:** PRO: Jim Fox, Recreation and Conservation Funding Board; Bill Robinson, The Nature Conservancy.