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SUBSTITUTE HOUSE BILL 1957

State of Washington 61st Legislature 2009 Regular Session

By House Capital Budget (originally sponsored by Representatives Jacks, Warnick, and Van De Wege)

READ FIRST TIME 02/23/09.

- 1 AN ACT Relating to qualified applicants and procedures within the
- 2 Washington wildlife and recreation program; and amending RCW
- 3 79A.15.010, 79A.15.030, 79A.15.060, 79A.15.120, 79A.15.130, and
- 4 84.34.250.

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- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 **Sec. 1.** RCW 79A.15.010 and 2007 c 241 s 26 are each amended to 7 read as follows:
- 8 The definitions in this section apply throughout this chapter 9 unless the context clearly requires otherwise.
- 10 (1) "Acquisition" means the purchase on a willing seller basis of 11 fee or less than fee interests in real property. These interests 12 include, but are not limited to, options, rights of first refusal, 13 conservation easements, leases, and mineral rights.
 - (2) "Board" means the recreation and conservation funding board.
- 15 (3) "Critical habitat" means lands important for the protection, 16 management, or public enjoyment of certain wildlife species or groups 17 of species, including, but not limited to, wintering range for deer, 18 elk, and other species, waterfowl and upland bird habitat, fish 19 habitat, and habitat for endangered, threatened, or sensitive species.

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1 (4) "Farmlands" means any land defined as "farm and agricultural land" in RCW 84.34.020(2).

- (5) "Local agencies" means a city, county, town, federally recognized Indian tribe, special purpose district, port district, or other political subdivision of the state providing services to less than the entire state.
- (6) "Natural areas" means areas that have, to a significant degree, retained their natural character and are important in preserving rare or vanishing flora, fauna, geological, natural historical, or similar features of scientific or educational value.
- (7) "Nonprofit nature conservancy corporation or association" means an organization as defined in RCW 84.34.250.
- (8) "Riparian habitat" means land adjacent to water bodies, as well as submerged land such as streambeds, which can provide functional habitat for salmonids and other fish and wildlife species. Riparian habitat includes, but is not limited to, shorelines and near-shore marine habitat, estuaries, lakes, wetlands, streams, and rivers.
- $((\frac{8}{}))$ (9) "Special needs populations" means physically restricted 19 people or people of limited means.
 - ((+9))) (10) "State agencies" means the state parks and recreation commission, the department of natural resources, the department of general administration, and the department of fish and wildlife.
 - $((\frac{10}{10}))$ (11) "Trails" means public ways constructed for and open to pedestrians, equestrians, or bicyclists, or any combination thereof, other than a sidewalk constructed as a part of a city street or county road for exclusive use of pedestrians.
- $((\frac{(11)}{(12)}))$ "Urban wildlife habitat" means lands that provide 28 habitat important to wildlife in proximity to a metropolitan area.
- $((\frac{(12)}{(13)}))$ "Water access" means boat or foot access to marine 30 waters, lakes, rivers, or streams.
- **Sec. 2.** RCW 79A.15.030 and 2007 c 241 s 28 are each amended to read as follows:
- 33 (1) Moneys appropriated for this chapter shall be divided as 34 follows:
- 35 (a) Appropriations for a biennium of forty million dollars or less 36 must be allocated equally between the habitat conservation account and 37 the outdoor recreation account.

(b) If appropriations for a biennium total more than forty million dollars, the money must be allocated as follows: (i) Twenty million dollars to the habitat conservation account and twenty million dollars to the outdoor recreation account; (ii) any amount over forty million dollars up to fifty million dollars shall be allocated as follows: (A) Ten percent to the habitat conservation account; (B) ten percent to the outdoor recreation account; (C) forty percent to the riparian protection account; and (D) forty percent to the farmlands preservation account; and (iii) any amounts over fifty million dollars must be allocated as follows: (A) Thirty percent to the habitat conservation account; (B) thirty percent to the outdoor recreation account; (C) thirty percent to the riparian protection account; and (D) ten percent to the farmlands preservation account.

- (2) Except as otherwise provided in chapter 303, Laws of 2005, moneys deposited in these accounts shall be invested as authorized for other state funds, and any earnings on them shall be credited to the respective account.
- (3) All moneys deposited in the habitat conservation, outdoor recreation, riparian protection, and farmlands preservation accounts shall be allocated as provided under RCW 79A.15.040, 79A.15.050, 79A.15.120, and 79A.15.130 as grants to state or local agencies or nonprofit nature conservancy organizations or associations for acquisition, development, and renovation within the jurisdiction of those agencies, subject to legislative appropriation. The board may use or permit the use of any funds appropriated for this chapter as matching funds where federal, local, or other funds are made available for projects within the purposes of this chapter. Moneys appropriated to these accounts that are not obligated to a specific project may be used to fund projects from lists of alternate projects from the same account in biennia succeeding the biennium in which the moneys were originally appropriated.
- (4) Projects receiving grants under this chapter that are developed or otherwise accessible for public recreational uses shall be available to the public.
- (5) The board may make grants to an eligible project from the habitat conservation, outdoor recreation, riparian protection, and farmlands preservation accounts and any one or more of the applicable

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1 categories under such accounts described in RCW 79A.15.040, 79A.15.050, 79A.15.120, and 79A.15.130.

- (6) The board may accept private donations to the habitat conservation account, the outdoor recreation account, the riparian protection account, and the farmlands preservation account for the purposes specified in this chapter.
- (7) The board may apply up to three percent of the funds appropriated for this chapter for its office for the administration of the programs and purposes specified in this chapter.
- (8) Habitat and recreation land and facilities acquired or developed with moneys appropriated for this chapter may not, without prior approval of the board, be converted to a use other than that for which funds were originally approved. The board shall adopt rules and procedures governing the approval of such a conversion.
- **Sec. 3.** RCW 79A.15.060 and 2007 c 241 s 31 are each amended to read as follows:
 - (1) The board may adopt rules establishing acquisition policies and priorities for distributions from the habitat conservation account.
 - (2) Except as provided in RCW 79A.15.030(7), moneys appropriated for this chapter may not be used by the board to fund staff positions or other overhead expenses, or by a state, regional, or local agency to fund operation or maintenance of areas acquired under this chapter.
 - (3) Moneys appropriated for this chapter may be used by grant recipients for costs incidental to acquisition, including, but not limited to, surveying expenses, fencing, and signing.
 - (4) ((Moneys appropriated for this section may be used to fund mitigation banking projects involving the restoration, creation, enhancement, or preservation of critical habitat and urban wildlife habitat, provided that the parties seeking to use the mitigation bank meet the matching requirements of subsection (5) of this section. The moneys from this section may not be used to supplant an obligation of a state or local agency to provide mitigation. For the purposes of this section, a mitigation bank means a site or sites where critical habitat or urban wildlife habitat is restored, created, enhanced, or in exceptional circumstances, preserved expressly for the purpose of providing compensatory mitigation in advance of authorized project impacts to similar resources.

- 1 (5)) The board may not approve a local project where the local agency share is less than the amount to be awarded from the habitat conservation account.
 - $((\frac{6}{}))$ (5) In determining acquisition priorities with respect to the habitat conservation account, the board shall consider, at a minimum, the following criteria:
 - (a) For critical habitat and natural areas proposals:
 - (i) Community support for the project;
- 9 (ii) The project proposal's ongoing stewardship program that 10 includes control of noxious weeds, detrimental invasive species, and 11 that identifies the source of the funds from which the stewardship 12 program will be funded;
- (iii) Recommendations as part of a watershed plan or habitat conservation plan, or a coordinated regionwide prioritization effort, and for projects primarily intended to benefit salmon, limiting factors, or critical pathways analysis;
 - (iv) Immediacy of threat to the site;
- 18 (v) Uniqueness of the site;

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- 19 (vi) Diversity of species using the site;
- 20 (vii) Quality of the habitat;
- 21 (viii) Long-term viability of the site;
- 22 (ix) Presence of endangered, threatened, or sensitive species;
- 23 (x) Enhancement of existing public property;
- 24 (xi) Consistency with a local land use plan, or a regional or 25 statewide recreational or resource plan, including projects that assist 26 in the implementation of local shoreline master plans updated according 27 to RCW 90.58.080 or local comprehensive plans updated according to RCW 28 36.70A.130;
- 29 (xii) Educational and scientific value of the site;
- 30 (xiii) Integration with recovery efforts for endangered, 31 threatened, or sensitive species;
- 32 (xiv) For critical habitat proposals by local agencies, the 33 statewide significance of the site.
- 34 (b) For urban wildlife habitat proposals, in addition to the 35 criteria of (a) of this subsection:
 - (i) Population of, and distance from, the nearest urban area;
- 37 (ii) Proximity to other wildlife habitat;
- 38 (iii) Potential for public use; and

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1 (iv) Potential for use by special needs populations.

- $((\frac{1}{1}))$ (6) Before November 1st of each even-numbered year, the board shall recommend to the governor a prioritized list of all state agency and local projects to be funded under RCW 79A.15.040(1) (a), (b), and (c). The governor may remove projects from the list recommended by the board and shall submit this amended list in the capital budget request to the legislature. The list shall include, but not be limited to, a description of each project and any particular match requirement, and describe for each project any anticipated restrictions upon recreational activities allowed prior to the project.
- **Sec. 4.** RCW 79A.15.120 and 2007 c 241 s 37 are each amended to read as follows:
 - (1) The riparian protection account is established in the state treasury. The board must administer the account in accordance with chapter 79A.25 RCW and this chapter, and hold it separate and apart from all other money, funds, and accounts of the board.
 - (2) Moneys appropriated for this chapter to the riparian protection account must be distributed for the acquisition or enhancement or restoration of riparian habitat. All enhancement or restoration projects, except those qualifying under subsection (((10))) (9)(a) of this section, must include the acquisition of a real property interest in order to be eligible.
 - (3) State and local agencies and lead entities under chapter 77.85 RCW, nonprofit nature conservancy organizations or associations, and the conservation commission may apply for acquisition and enhancement or restoration funds for riparian habitat projects under subsection (1) of this section. Other state agencies not defined in RCW 79A.15.010, such as the department of transportation and the department of corrections, may enter into interagency agreements with state agencies to apply in partnership for funds under this section.
 - (4) The board may adopt rules establishing acquisition policies and priorities for distributions from the riparian protection account.
 - (5) Except as provided in RCW 79A.15.030(7), moneys appropriated for this section may not be used by the board to fund staff positions or other overhead expenses, or by a state, regional, or local agency to fund operation or maintenance of areas acquired under this chapter.

(6) Moneys appropriated for this section may be used by grant recipients for costs incidental to restoration and acquisition, including, but not limited to, surveying expenses, fencing, and signing.

- (7) ((Moneys appropriated for this section may be used to fund mitigation banking projects involving the restoration, creation, enhancement, or preservation of riparian habitat, provided that the parties seeking to use the mitigation bank meet the matching requirements of subsection (8) of this section. The moneys from this section may not be used to supplant an obligation of a state or local agency to provide mitigation. For the purposes of this section, a mitigation bank means a site or sites where riparian habitat is restored, created, enhanced, or in exceptional circumstances, preserved expressly for the purpose of providing compensatory mitigation in advance of authorized project impacts to similar resources.
- (8))) The board may not approve a local project where the local agency or nonprofit nature conservancy organization or association share is less than the amount to be awarded from the riparian protection account. In-kind contributions, including contributions of a real property interest in land may be used to satisfy the local agency's or nonprofit nature conservancy organization's or association's share.
- (((9))) (8) State agencies receiving grants for acquisition of land under this section must pay an amount in lieu of real property taxes equal to the amount of tax that would be due if the land were taxable as open space land under chapter 84.34 RCW except taxes levied for any state purpose, plus an additional amount for control of noxious weeds equal to that which would be paid if such lands were privately owned. The county assessor and county legislative authority shall assist in determining the appropriate calculation of the amount of tax that would be due.
- $((\frac{10}{10}))$ (9) In determining acquisition priorities with respect to the riparian protection account, the board must consider, at a minimum, the following criteria:
- (a) Whether the project continues the conservation reserve enhancement program. Applications that extend the duration of leases of riparian areas that are currently enrolled in the conservation

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- reserve enhancement program shall be eligible. Such applications are eligible for a conservation lease extension of at least twenty-five years of duration;
 - (b) Whether the projects are identified or recommended in a watershed planning process under chapter 247, Laws of 1998, salmon recovery planning under chapter 77.85 RCW, or other local plans, such as habitat conservation plans, and these must be highly considered in the process;
 - (c) Whether there is community support for the project;

- (d) Whether the proposal includes an ongoing stewardship program that includes control of noxious weeds, detrimental invasive species, and that identifies the source of the funds from which the stewardship program will be funded;
 - (e) Whether there is an immediate threat to the site;
 - (f) Whether the quality of the habitat is improved or, for projects including restoration or enhancement, the potential for restoring quality habitat including linkage of the site to other high quality habitat;
 - (g) Whether the project is consistent with a local land use plan, or a regional or statewide recreational or resource plan. The projects that assist in the implementation of local shoreline master plans updated according to RCW 90.58.080 or local comprehensive plans updated according to RCW 36.70A.130 must be highly considered in the process;
 - (h) Whether the site has educational or scientific value; and
 - (i) Whether the site has passive recreational values for walking trails, wildlife viewing, or the observation of natural settings.
 - (((11))) <u>(10)</u> Before November 1st of each even-numbered year, the board will recommend to the governor a prioritized list of projects to be funded under this section. The governor may remove projects from the list recommended by the board and will submit this amended list in the capital budget request to the legislature. The list must include, but not be limited to, a description of each project and any particular match requirement.
- **Sec. 5.** RCW 79A.15.130 and 2007 c 241 s 38 are each amended to read as follows:
- 36 (1) The farmlands preservation account is established in the state 37 treasury. The board will administer the account in accordance with

chapter 79A.25 RCW and this chapter, and hold it separate and apart from all other money, funds, and accounts of the board. Moneys appropriated for this chapter to the farmlands preservation account must be distributed for the acquisition and preservation of farmlands in order to maintain the opportunity for agricultural activity upon these lands.

- (2)(a) Moneys appropriated for this chapter to the farmlands preservation account may be distributed for (i) the fee simple or less than fee simple acquisition of farmlands; (ii) the enhancement or restoration of ecological functions on those properties; or (iii) both. In order for a farmland preservation grant to provide for an environmental enhancement or restoration project, the project must include the acquisition of a real property interest.
- If a city ((or)), county, nonprofit nature conservancy organization or association, or the conservation commission acquires a property through this program in fee simple, the city ((or)), county, nonprofit nature conservancy organization or association, or the conservation commission shall endeavor to secure preservation of the property through placing a conservation easement, or other form of deed restriction, on the property which dedicates the land to agricultural use and retains one or more property rights in perpetuity. Once an easement or other form of deed restriction is placed on the property, the city ((or)), county, nonprofit nature conservancy organization or association, or the conservation commission shall seek to sell the property, at fair market value, to a person or persons who will maintain the property in agricultural production. Any moneys from the sale of the property shall either be used to purchase interests in additional properties which meet the criteria in subsection (9) of this section, or to repay the grant from the state which was originally used to purchase the property.
- (3) Cities ((and)), counties, nonprofit nature conservancy organizations or associations, and the conservation commission may apply for acquisition and enhancement or restoration funds for farmland preservation projects within their jurisdictions under subsection (1) of this section.
- (4) The board may adopt rules establishing acquisition and enhancement or restoration policies and priorities for distributions from the farmlands preservation account.

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- (5) The acquisition of a property right in a project under this section by a county $((or))_{,}$ city, nonprofit nature conservancy organization or association, or the conservation commission does not provide a right of access to the property by the public unless explicitly provided for in a conservation easement or other form of deed restriction.
- (6) Except as provided in RCW 79A.15.030(7), moneys appropriated for this section may not be used by the board to fund staff positions or other overhead expenses, or by a city ((or)), county, nonprofit nature conservancy organization or association, or the conservation commission to fund operation or maintenance of areas acquired under this chapter.
- (7) Moneys appropriated for this section may be used by grant recipients for costs incidental to restoration and acquisition, including, but not limited to, surveying expenses, fencing, and signing.
 - (8) The board may not approve a local project where the local agency's or nonprofit nature conservancy organization's or association's share is less than the amount to be awarded from the farmlands preservation account. In-kind contributions, including contributions of a real property interest in land, may be used to satisfy the local agency's or nonprofit nature conservancy organization's or association's share.
 - (9) In determining the acquisition priorities, the board must consider, at a minimum, the following criteria:
 - (a) Community support for the project;
- (b) A recommendation as part of a limiting factors or critical pathways analysis, a watershed plan or habitat conservation plan, or a coordinated regionwide prioritization effort;
- (c) The likelihood of the conversion of the site to nonagricultural or more highly developed usage;
- (d) Consistency with a local land use plan, or a regional or statewide recreational or resource plan. The projects that assist in the implementation of local shoreline master plans updated according to RCW 90.58.080 or local comprehensive plans updated according to RCW 36.70A.130 must be highly considered in the process;
- (e) Benefits to salmonids;

(f) Benefits to other fish and wildlife habitat;

- 1 (g) Integration with recovery efforts for endangered, threatened,
 2 or sensitive species;
- 3 (h) The viability of the site for continued agricultural 4 production, including, but not limited to:
 - (i) Soil types;

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- 6 (ii) On-site production and support facilities such as barns, 7 irrigation systems, crop processing and storage facilities, wells, 8 housing, livestock sheds, and other farming infrastructure;
- 9 (iii) Suitability for producing different types or varieties of 10 crops;
- 11 (iv) Farm-to-market access;
 - (v) Water availability; and
- 13 (i) Other community values provided by the property when used as agricultural land, including, but not limited to:
 - (i) Viewshed;
- 16 (ii) Aquifer recharge;
- 17 (iii) Occasional or periodic collector for storm water runoff;
- 18 (iv) Agricultural sector job creation;
- 19 (v) Migratory bird habitat and forage area; and
- 20 (vi) Educational and curriculum potential.
- 21 (10) In allotting funds for environmental enhancement or 22 restoration projects, the board will require the projects to meet the 23 following criteria:
- 24 (a) Enhancement or restoration projects must further the ecological functions of the farmlands;
 - (b) The projects, such as fencing, bridging watercourses, replanting native vegetation, replacing culverts, clearing of waterways, etc., must be less than fifty percent of the acquisition cost of the project including any in-kind contribution by any party;
- 30 (c) The projects should be based on accepted methods of achieving 31 beneficial enhancement or restoration results; and
 - (d) The projects should enhance the viability of the preserved farmland to provide agricultural production while conforming to any legal requirements for habitat protection.
- 35 (11) Before November 1st of each even-numbered year, the board will 36 recommend to the governor a prioritized list of all projects to be 37 funded under this section. The governor may remove projects from the 38 list recommended by the board and must submit this amended list in the

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capital budget request to the legislature. The list must include, but not be limited to, a description of each project and any particular match requirement.

 Sec. 6. RCW 84.34.250 and 1975-'76 2nd ex.s. c 22 s 4 are each amended to read as follows:

As used in RCW 84.34.210, as now or hereafter amended, ((and)) RCW 84.34.220, as now or hereafter amended, and RCW 79A.15.010, "nonprofit nature conservancy corporation or association" means an organization which qualifies as being tax exempt under 26 U.S.C. section 501(c) (of the Internal Revenue Code) as it exists on June 25, 1976 and one which has as one of its principal purposes the conducting or facilitating of scientific research; the conserving of natural resources, including but not limited to biological resources, for the general public; or the conserving of open spaces, including but not limited to wildlife habitat to be utilized as public access areas, for the use and enjoyment of the general public.

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