# CERTIFICATION OF ENROLLMENT

### SUBSTITUTE HOUSE BILL 1957

Chapter 341, Laws of 2009

61st Legislature 2009 Regular Session

WILDLIFE AND RECREATION PROGRAM--APPLICANTS--PROCEDURES

EFFECTIVE DATE: 07/26/09

Passed by the House April 20, 2009 Yeas 65 Nays 29

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate March 31, 2009 Yeas 35 Nays 13

BRAD OWEN

President of the Senate

Approved May 5, 2009, 2:23 p.m.

#### CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is SUBSTITUTE HOUSE BILL 1957 as passed by the House of Representatives and the Senate on the dates hereon set forth.

BARBARA BAKER

Chief Clerk

FILED

May 8, 2009

Secretary of State State of Washington

CHRISTINE GREGOIRE

Governor of the State of Washington

# SUBSTITUTE HOUSE BILL 1957

AS AMENDED BY THE SENATE

Passed Legislature - 2009 Regular Session

# 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.

AN ACT Relating to qualified applicants and procedures within the Washington wildlife and recreation program; amending RCW 79A.15.010, 79A.15.030, 79A.15.060, 79A.15.120, 79A.15.130, and 84.34.250; creating a new section; and providing an expiration date.

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.

(1) "Acquisition" means the purchase on a willing seller basis of
fee or less than fee interests in real property. These interests
include, but are not limited to, options, rights of first refusal,
conservation easements, leases, and mineral rights.

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(2) "Board" means the recreation and conservation funding board.

(3) "Critical habitat" means lands important for the protection, management, or public enjoyment of certain wildlife species or groups of species, including, but not limited to, wintering range for deer, elk, and other species, waterfowl and upland bird habitat, fish habitat, and habitat for endangered, threatened, or sensitive species. (4) "Farmlands" means any land defined as "farm and agricultural
 land" in RCW 84.34.020(2).

3 (5) "Local agencies" means a city, county, town, federally 4 recognized Indian tribe, special purpose district, port district, or 5 other political subdivision of the state providing services to less 6 than the entire state.

7 (6) "Natural areas" means areas that have, to a significant degree, 8 retained their natural character and are important in preserving rare 9 or vanishing flora, fauna, geological, natural historical, or similar 10 features of scientific or educational value.

11 (7) <u>"Nonprofit nature conservancy corporation or association" means</u> 12 <u>an organization as defined in RCW 84.34.250.</u>

13 (8) "Riparian habitat" means land adjacent to water bodies, as well 14 as submerged land such as streambeds, which can provide functional 15 habitat for salmonids and other fish and wildlife species. Riparian 16 habitat includes, but is not limited to, shorelines and near-shore 17 marine habitat, estuaries, lakes, wetlands, streams, and rivers.

18 ((<del>(8)</del>)) <u>(9)</u> "Special needs populations" means physically restricted 19 people or people of limited means.

20 ((<del>(9)</del>)) <u>(10)</u> "State agencies" means the state parks and recreation 21 commission, the department of natural resources, the department of 22 general administration, and the department of fish and wildlife.

((<del>(10)</del>)) <u>(11)</u> "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.

27 ((<del>(11)</del>)) <u>(12)</u> "Urban wildlife habitat" means lands that provide 28 habitat important to wildlife in proximity to a metropolitan area.

29 ((<del>(12)</del>)) <u>(13)</u> "Water access" means boat or foot access to marine 30 waters, lakes, rivers, or streams.

31 **Sec. 2.** RCW 79A.15.030 and 2007 c 241 s 28 are each amended to 32 read as follows:

33 (1) Moneys appropriated for this chapter shall be divided as 34 follows:

(a) Appropriations for a biennium of forty million dollars or less
 must be allocated equally between the habitat conservation account and
 the outdoor recreation account.

(b) If appropriations for a biennium total more than forty million 1 2 dollars, the money must be allocated as follows: (i) Twenty million dollars to the habitat conservation account and twenty million dollars 3 to the outdoor recreation account; (ii) any amount over forty million 4 dollars up to fifty million dollars shall be allocated as follows: (A) 5 Ten percent to the habitat conservation account; (B) ten percent to the б 7 outdoor recreation account; (C) forty percent to the riparian protection account; and (D) forty percent to the farmlands preservation 8 account; and (iii) any amounts over fifty million dollars must be 9 10 allocated as follows: (A) Thirty percent to the habitat conservation account; (B) thirty percent to the outdoor recreation account; (C) 11 12 thirty percent to the riparian protection account; and (D) ten percent 13 to the farmlands preservation account.

14 (2) Except as otherwise provided in chapter 303, Laws of 2005,
 15 moneys deposited in these accounts shall be invested as authorized for
 16 other state funds, and any earnings on them shall be credited to the
 17 respective account.

(3) All moneys deposited in the habitat conservation, outdoor 18 recreation, riparian protection, and farmlands preservation accounts 19 shall be allocated as provided under RCW 79A.15.040, 79A.15.050, 20 21 79A.15.120, and 79A.15.130 as grants to state or local agencies or nonprofit <u>nature</u> <u>conservancy</u> <u>organizations</u> <u>or</u> <u>associations</u> for 22 acquisition, development, and renovation within the jurisdiction of 23 24 those agencies, subject to legislative appropriation. The board may 25 use or permit the use of any funds appropriated for this chapter as matching funds where federal, local, or other funds are made available 26 27 for projects within the purposes of this chapter. Moneys appropriated to these accounts that are not obligated to a specific project may be 28 used to fund projects from lists of alternate projects from the same 29 account in biennia succeeding the biennium in which the moneys were 30 31 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.

35 (5) The board may make grants to an eligible project from the 36 habitat conservation, outdoor recreation, riparian protection, and 37 farmlands preservation accounts and any one or more of the applicable

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

3 (6) The board may accept private donations to the habitat 4 conservation account, the outdoor recreation account, the riparian 5 protection account, and the farmlands preservation account for the 6 purposes specified in this chapter.

7 (7) The board may apply up to three percent of the funds
8 appropriated for this chapter for its office for the administration of
9 the programs and purposes specified in this chapter.

10 (8) Habitat and recreation land and facilities acquired or 11 developed with moneys appropriated for this chapter may not, without 12 prior approval of the board, be converted to a use other than that for 13 which funds were originally approved. The board shall adopt rules and 14 procedures governing the approval of such a conversion.

15 Sec. 3. RCW 79A.15.060 and 2007 c 241 s 31 are each amended to 16 read as follows:

(1) The board may adopt rules establishing acquisition policies andpriorities for distributions from the habitat conservation account.

19 (2) Except as provided in RCW 79A.15.030(7), moneys appropriated 20 for this chapter may not be used by the board to fund staff positions 21 or other overhead expenses, or by a state, regional, or local agency to 22 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.

26 (4) ((Moneys-appropriated-for-this-section-may-be-used-to-fund 27 mitigation - banking - projects - involving - the - restoration, - creation, enhancement, -or - preservation - of - critical - habitat - and - urban - wildlife 28 29 habitat, provided that the parties seeking to use the mitigation bank 30 meet the matching requirements of subsection (5) of this section. The 31 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 32 this section, a mitigation bank means a site or sites where critical 33 34 habitat or urban wildlife habitat is restored, created, enhanced, or in 35 exceptional-circumstances, -preserved-expressly-for-the-purpose-of 36 providing-compensatory-mitigation-in-advance-of-authorized-project 37 impacts to similar resources.

1 (5)) The board may not approve a local project where the local 2 agency share is less than the amount to be awarded from the habitat 3 conservation account.

4 (((6))) (5) In determining acquisition priorities with respect to
5 the habitat conservation account, the board shall consider, at a
6 minimum, the following criteria:

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(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;

17 (iv) Immediacy of threat to the site;

- 18 (v) Uniqueness of the site;
- 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;

(xi) Consistency with a local land use plan, or a regional or statewide recreational or resource plan, including 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;

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(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:

- 36 (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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(iv) Potential for use by special needs populations.

2 (((7))) <u>(6)</u> Before November 1st of each even-numbered year, the board shall recommend to the governor a prioritized list of all state 3 agency and local projects to be funded under RCW 79A.15.040(1) (a), 4 5 (b), and (c). The governor may remove projects from the list recommended by the board and shall submit this amended list in the 6 7 capital budget request to the legislature. The list shall include, but not be limited to, a description of each project and any particular 8 match requirement, and describe for each project any anticipated 9 restrictions upon recreational activities allowed prior to the project. 10

11 **Sec. 4.** RCW 79A.15.120 and 2007 c 241 s 37 are each amended to 12 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.

17 (2) Moneys appropriated for this chapter to the riparian protection 18 account must be distributed for the acquisition or enhancement or 19 restoration of riparian habitat. All enhancement or restoration 20 projects, except those qualifying under subsection (((10))) (9)(a) of 21 this section, must include the acquisition of a real property interest 22 in order to be eligible.

23 (3) State and local agencies and lead entities under chapter 77.85 RCW, nonprofit nature conservancy organizations or associations, and 24 the conservation commission may apply for acquisition and enhancement 25 26 or restoration funds for riparian habitat projects under subsection (1) of this section. Other state agencies not defined in RCW 79A.15.010, 27 such as the department of transportation and the department of 28 corrections, may enter into interagency agreements with state agencies 29 to apply in partnership for funds under this section. 30

(4) The board may adopt rules establishing acquisition policies andpriorities 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. 1 (6) Moneys appropriated for this section may be used by grant 2 recipients for costs incidental to restoration and acquisition, 3 including, but not limited to, surveying expenses, fencing, and 4 signing.

(7) ((Moneys-appropriated-for-this-section-may-be-used-to-fund 5 mitigation - banking - projects - involving - the - restoration, - creation, 6 7 enhancement, -or - preservation - of - riparian - habitat, - provided - that - the 8 parties - seeking - to - use - the - mitigation - bank - meet - the - matching requirements of subsection (8) of this section. The moneys from this 9 10 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 11 12 mitigation - bank - means - a - site - or - sites - where - riparian - habitat - is 13 restored, created, enhanced, or in exceptional circumstances, preserved 14 expressly-for-the-purpose-of-providing-compensatory-mitigation-in 15 advance of authorized project impacts to similar resources.

16 (8)) The board may not approve a local project where the local agency <u>or nonprofit nature conservancy organization or association</u> 18 share is less than the amount to be awarded from the riparian 19 protection account. In-kind contributions, including contributions of 20 a real property interest in land may be used to satisfy the local 21 agency's <u>or nonprofit nature conservancy organization's or</u> 22 <u>association's share.</u>

(((9))) (8) State agencies receiving grants for acquisition of land 23 24 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 25 26 as open space land under chapter 84.34 RCW except taxes levied for any 27 state purpose, plus an additional amount for control of noxious weeds equal to that which would be paid if such lands were privately owned. 28 The county assessor and county legislative authority shall assist in 29 determining the appropriate calculation of the amount of tax that would 30 31 be due.

32 ((<del>(10)</del>)) <u>(9)</u> In determining acquisition priorities with respect to 33 the riparian protection account, the board must consider, at a minimum, 34 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

1 reserve enhancement program shall be eligible. Such applications are 2 eligible for a conservation lease extension of at least twenty-five 3 years of duration;

4 (b) Whether the projects are identified or recommended in a 5 watershed planning process under chapter 247, Laws of 1998, salmon 6 recovery planning under chapter 77.85 RCW, or other local plans, such 7 as habitat conservation plans, and these must be highly considered in 8 the process;

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(c) Whether there is community support for the project;

10 (d) Whether the proposal includes an ongoing stewardship program 11 that includes control of noxious weeds, detrimental invasive species, 12 and that identifies the source of the funds from which the stewardship 13 program will be funded;

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(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;

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(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))) (10) 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.

34 **Sec. 5.** RCW 79A.15.130 and 2007 c 241 s 38 are each amended to 35 read as follows:

(1) The farmlands preservation account is established in the statetreasury. The board will administer the account in accordance with

1 chapter 79A.25 RCW and this chapter, and hold it separate and apart 2 from all other money, funds, and accounts of the board. Moneys 3 appropriated for this chapter to the farmlands preservation account 4 must be distributed for the acquisition and preservation of farmlands 5 in order to maintain the opportunity for agricultural activity upon 6 these lands.

7 (2)(a) Moneys appropriated for this chapter to the farmlands 8 preservation account may be distributed for (i) the fee simple or less 9 than fee simple acquisition of farmlands; (ii) the enhancement or 10 restoration of ecological functions on those properties; or (iii) both. 11 In order for a farmland preservation grant to provide for an 12 environmental enhancement or restoration project, the project must 13 include the acquisition of a real property interest.

14 If a city ((or)), county, nonprofit nature conservancy (b) organization or association, or the conservation commission acquires a 15 property through this program in fee simple, the city  $((or))_{\perp}$  county\_ 16 17 nonprofit <u>nature</u> <u>conservancy</u> <u>organization</u> <u>or</u> <u>association</u>, <u>or</u> <u>the</u> conservation commission shall endeavor to secure preservation of the 18 property through placing a conservation easement, or other form of deed 19 restriction, on the property which dedicates the land to agricultural 20 21 use and retains one or more property rights in perpetuity. Once an 22 easement or other form of deed restriction is placed on the property, the city ((or)), county, nonprofit nature conservancy organization or 23 24 association, or the conservation commission shall seek to sell the property, at fair market value, to a person or persons who will 25 maintain the property in agricultural production. Any moneys from the 26 27 sale of the property shall either be used to purchase interests in additional properties which meet the criteria in subsection (9) of this 28 29 section, or to repay the grant from the state which was originally used 30 to purchase the property.

31 (3) Cities ((and)), counties, <u>nonprofit</u> <u>nature</u> <u>conservancy</u> 32 <u>organizations</u> <u>or associations</u>, <u>and the conservation commission</u> may 33 apply for acquisition and enhancement or restoration funds for farmland 34 preservation projects within their jurisdictions under subsection (1) 35 of this section.

36 (4) The board may adopt rules establishing acquisition and
 37 enhancement or restoration policies and priorities for distributions
 38 from the farmlands preservation account.

1 (5) The acquisition of a property right in a project under this 2 section by a county ((<del>or</del>)), city, <u>nonprofit nature conservancy</u> 3 <u>organization or association</u>, <u>or the conservation commission</u> does not 4 provide a right of access to the property by the public unless 5 explicitly provided for in a conservation easement or other form of 6 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 ((<del>or</del>)), county, <u>nonprofit</u> <u>nature conservancy organization or association</u>, <u>or the conservation</u> <u>commission</u> to fund operation or maintenance of areas acquired under this chapter.

13 (7) Moneys appropriated for this section may be used by grant 14 recipients for costs incidental to restoration and acquisition, 15 including, but not limited to, surveying expenses, fencing, and 16 signing.

17 (8) The board may not approve a local project where the local 18 agency's <u>or nonprofit nature conservancy organization's or</u> 19 <u>association's</u> share is less than the amount to be awarded from the 20 farmlands preservation account. In-kind contributions, including 21 contributions of a real property interest in land, may be used to 22 satisfy the local agency's <u>or nonprofit nature conservancy</u> 23 <u>organization's or association's</u> share.

(9) In determining the acquisition priorities, the board mustconsider, at a minimum, the following criteria:

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(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;

30 (c) The likelihood of the conversion of the site to nonagricultural 31 or more highly developed usage;

32 (d) Consistency with a local land use plan, or a regional or 33 statewide recreational or resource plan. The projects that assist in 34 the implementation of local shoreline master plans updated according to 35 RCW 90.58.080 or local comprehensive plans updated according to RCW 36 .70A.130 must be highly considered in the process;

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(e) Benefits to salmonids;

38 (f) Benefits to other fish and wildlife habitat;

(g) Integration with recovery efforts for endangered, threatened,
 or sensitive species;

3 (h) The viability of the site for continued agricultural4 production, including, but not limited to:

5 (i) Soil types;

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;

12 (v) Water availability; and

13 (i) Other community values provided by the property when used as 14 agricultural land, including, but not limited to:

15 (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.

(10) In allotting funds for environmental enhancement or restoration projects, the board will require the projects to meet the following criteria:

(a) Enhancement or restoration projects must further the ecologicalfunctions 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 achieving31 beneficial enhancement or restoration results; and

32 (d) The projects should enhance the viability of the preserved 33 farmland to provide agricultural production while conforming to any 34 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 1 capital budget request to the legislature. The list must include, but 2 not be limited to, a description of each project and any particular 3 match requirement.

4 **Sec. 6.** RCW 84.34.250 and 1975-'76 2nd ex.s. c 22 s 4 are each 5 amended to read as follows:

б As used in RCW 84.34.210, as now or hereafter amended, ((and)) RCW 7 84.34.220, as now or hereafter amended, and RCW 79A.15.010, "nonprofit 8 nature conservancy corporation or association" means an organization which qualifies as being tax exempt under 26 U.S.C. section 501(c) (of 9 the Internal Revenue Code) as it exists on June 25, 1976 and one which 10 has as one of its principal purposes the conducting or facilitating of 11 scientific research; the conserving of natural resources, including but 12 not limited to biological resources, for the general public; or the 13 conserving of open spaces, including but not limited to wildlife 14 habitat to be utilized as public access areas, for the use and 15 16 enjoyment of the general public.

NEW SECTION. Sec. 7. (1) Within existing funds, the recreation 17 and conservation office must evaluate the use of land preservation 18 mechanisms such as fee simple acquisitions, conservation easements, 19 20 term conservation easements, and leases and the ability of each to respond to future economic, social, and environmental changes. The 21 22 recreation and conservation office must compare the relative advantages 23 and disadvantages and costs of each of these land preservation mechanisms. The recreation and conservation office must report its 24 25 findings and recommendations to the appropriate committees of the legislature by January 1, 2010. 26

27 (2) This section expires June 30, 2010. Passed by the House April 20, 2009. Passed by the Senate March 31, 2009. Approved by the Governor May 5, 2009. Filed in Office of Secretary of State May 8, 2009.