

HOUSE BILL REPORT

HB 1392

As Amended by the Senate

Title: An act relating to the administrative rate the recreation and conservation funding board may retain to administer the grant programs established in chapter 79A.15 RCW.

Brief Description: Concerning the administrative rate the recreation and conservation funding board may retain to administer the grant programs established in chapter 79A.15 RCW.

Sponsors: Representatives Stanford, Tharinger, Dunshee and McBride; by request of Recreation and Conservation Office.

Brief History:

Committee Activity:

Capital Budget: 2/3/15, 2/10/15 [DP].

Floor Activity:

Passed House: 3/3/15, 72-25.

Senate Amended.

Passed Senate: 4/15/15, 47-2.

Brief Summary of Bill

- Authorizes the Recreation and Conservation Office to retain a portion of the funds appropriated for the Washington Wildlife and Recreation Program grants for administrative costs.

HOUSE COMMITTEE ON CAPITAL BUDGET

Majority Report: Do pass. Signed by 6 members: Representatives Dunshee, Chair; Stanford, Vice Chair; Kilduff, Peterson, Riccelli and Walsh.

Minority Report: Do not pass. Signed by 2 members: Representatives Smith, Assistant Ranking Minority Member; Kochmar.

Minority Report: Without recommendation. Signed by 1 member: Representative DeBolt, Ranking Minority Member.

Staff: Christine Thomas (786-7142).

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.

Background:

The Recreation and Conservation Office (RCO) administers several grant programs for numerous boards and councils to create outdoor recreational opportunities, protect the state's wildlife habitat and farmland, and assist salmon recovery efforts. One such grant program is the Washington Wildlife and Recreation Program (WWRP) that was established in 1990 to "acquire as soon as possible the most significant lands for wildlife conservation and outdoor recreation purposes before they are lost." In addition to acquiring recreation and habitat lands, the program also develops recreation areas for growing populations, preserves farmlands, and restores and develops state lands.

The grants are selected through a competitive process and funds are awarded by the Recreation and Conservation Funding Board (RCFB). The RCO must submit a prioritized list of projects to the Legislature in its biennial budget request. The projects are prioritized by eight advisory committees that review and rank the applications submitted to the RCFB. In addition to supporting the RCFB and the advisory committees, the RCO also develops the grant program policies and prepares and supports the materials and electronic applications. They communicate with potential applicants and provide technical assistance. They review applications for completeness and prepare and manage grant agreements for each project. They ensure compliance and provide public access to and disclosure of grant records.

Before 2004 no administrative funds were allowed to be retained from WWRP appropriations. A 2005 statutory amendment established a 3 percent fee for the administration of the WWRP. The amount available for administration varies depending on the total appropriations which have ranged from \$42 million in 2011-13 to \$100 million in 2007-09. An analysis conducted by the RCO shows that the actual cost to administer the program is about 4.3 percent.

The RCO is authorized to retain portions of appropriated funds to administer other grant programs as well. Those administrative fees vary depending on the program. For instance, the Aquatic Lands Enhancement Account program allows up to 5 percent to be used for administrative costs. The Youth Athletic Facilities program allows up to 4.12 percent and the Nonhighway and Off-road Vehicle Activities program allows up to 10 percent to be retained for administrative costs.

Summary of Bill:

The RCO is authorized to retain a portion of the funds appropriated for the WWRP for administrative costs. The portion must be based on the actual administration costs averaged over the previous five biennia as a percentage of the new appropriation. The percentage must be approved by the Office of Financial Management and submitted along with the prioritized list of projects. The current five biennial average rate is 4.3 percent.

EFFECT OF SENATE AMENDMENT(S):

The Senate amendments provides that the amount retained for administration may not exceed the administrative cost calculation in the underlying bill; or the amount specified in the appropriation, if any. The striking amendment retains the language of the original bill to

calculate the portion of new appropriation that may be retained, and adds the "amount specified in the appropriation, if any" as an alternative administrative amount.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) Increasing the administrative rate would support the WWRP without relying on other programs to supplement administration of the program. The RCO is permitted to retain 3 percent of the WWRP appropriations for administrative costs, per state regulation. The administrative rate funds such activities as advising grant applicants, supporting review and scoring panels, monitoring contracts for fiscal accountability and compliance of original purpose, maintaining the electronic database that produces prioritized lists for budget consideration, and others. The current rate does not cover all of these administrative tasks and the WWRP relies on administrative fees from other programs. The change in rate would allow the WWRP to be managed within the appropriation.

(Opposed) None.

Persons Testifying: Representative Stanford, prime sponsor; and Kaleen Cottingham, Recreation and Conservation Office.

Persons Signed In To Testify But Not Testifying: None.