

FINAL BILL REPORT

HB 2856

C 194 L 16
Synopsis as Enacted

Brief Description: Establishing the office of Chehalis basin.

Sponsors: Representatives DeBolt, Tharinger, Van De Wege and Stanford.

House Committee on Capital Budget
Senate Committee on Ways & Means

Background:

Chehalis River Basin Catastrophic Floods and State Capital Funding.

In early December 2007 a series of storms caused flood damage in southwest Washington. On December 8, 2007, the President declared a major disaster in the counties of Grays Harbor, Kitsap, Lewis, Mason, Pacific, and Thurston. Federal funding assistance was made available following this declaration.

In 2008 the Legislature authorized \$50 million in state general obligation bonds for flood hazard mitigation and related projects throughout the Chehalis River Basin. Beginning with the 2007-09 biennium through the 2015-17 biennium, a total of \$92.7 million has been appropriated in capital budgets from state general obligation bonds to the Office of Financial Management (OFM) for catastrophic flood relief and Chehalis River Basin flood relief projects.

The Department of Ecology.

The Department of Ecology (Ecology) is the lead state agency for floodplain management, which includes flood risk reduction and protection of floodplain environmental functions. Ecology also provides technical assistance to local governments in implementing local floodplain management plans and the National Flood Insurance Program. When flooding occurs, Ecology works with other agencies to conduct damage assessments and to prepare disaster assistance requests.

In the 2013-15 and 2015-17 capital budgets, Ecology received appropriations, respectively, of \$50 million in state general obligation bond proceeds for flood management and control grants and \$35.6 million in state general obligation bond proceeds for floodplain

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.

management grants. In both cases, funding is passed through to local entities and federally recognized tribes for eligible projects.

The Governor's Chehalis Basin Work Group and Its Reports.

The 2011-13 Capital Budget directed the OFM to collaborate with state and federal agencies, tribal governments, and local governments to identify recommended priority flood hazard mitigation projects in the Chehalis River Basin for continued feasibility and design work. To help carry out this directive, former Governor Christine Gregoire convened a Chehalis Basin Work Group (Work Group) to recommend investments and actions that would reduce flood damages and enhance natural floodplain function and fisheries. The Work Group includes representatives of the Chehalis Tribe, the City of Cosmopolis, Thurston County, the Chehalis River Basin Flood Authority, a Basin dairy farmer, and a Governor's policy advisor.

Facilitated by the William D. Ruckelshaus Center and in consultation with state and local agencies, the Work Group presented its recommendations to the Governor and the Legislature in a 2012 report entitled "Chehalis Basin Flood Hazard Mitigation Alternatives" and, as subsequently requested by Governor Jay Inslee, in a 2014 report entitled "Chehalis Basin Strategy 2014 Recommendations." The 2014 report recommends an integrated program of long-term flood damage reduction and aquatic species restoration in the Chehalis Basin. The 2014 report estimates the costs of its recommendations to be approximately \$500 to \$600 million and the benefits over 100 years to be \$720 million, resulting in a net benefit of \$100 to \$200 million.

Summary:

The Office of Chehalis Basin (Office) is established in Ecology. Its purpose is to aggressively pursue implementation of an integrated strategy and to administer funding for long-term flood damage reduction and aquatic species restoration in the Chehalis River Basin. The Office must be funded from specific appropriations for basin-related flood hazard reduction and habitat recovery activities. The model for operating the new Office is the Columbia River Water Supply Program.

A Chehalis Board (Board) is created. Its responsibilities include oversight of strategy implementation and development of budget recommendations to the Governor. The strategy must include a detailed set of actions, an implementation schedule, and quantified measures to evaluate success.

The Board includes seven voting members: four appointed by the Governor, subject to Senate confirmation, including one member representing the Quinault Indian Nation and one member representing the Chehalis Indian Tribe; and three selected by the Chehalis Basin Flood Authority. The Board also includes five nonvoting ex officio members: the Department of Fish and Wildlife director, the State Conservation Commission executive director, the Ecology director, the Commissioner of Public Lands, and the Department of Transportation Secretary. Staffing is to be provided by Ecology.

The Chehalis Basin Account (Account) is created in the State Treasury. Receipts from legislative appropriations or money directed from other sources must be deposited in the

Account. Interest earnings must be retained in the Account. Moneys in the Account may be spent only after appropriation and may be used only for the purposes of the act and for expenses related to bond issuance and sales.

Votes on Final Passage:

House	95	2	
Senate	46	2	(Senate amended)
House	91	5	(House concurred)

Effective: June 9, 2016