

SENATE BILL REPORT

HB 2856

As of February 22, 2016

Title: An act relating to establishing the office of Chehalis river basin flood risk reduction.

Brief Description: Establishing the office of Chehalis river basin flood risk reduction.

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

Brief History: Passed House: 2/16/16, 95-2.

Committee Activity: Ways & Means: 2/23/16.

SENATE COMMITTEE ON WAYS & MEANS

Staff: Sherry McNamara (786-7402)

Background: Chehalis River Basin Catastrophic Floods and State Capital Funding. In 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.

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 as well as 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

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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 (Section 1033, Chapter 49, Laws of 2011) directed 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 of Bill: The Office of Chehalis River Basin Flood Risk Reduction (Office) is established in Ecology. Its purpose is to administer funds for a long-term integrated strategy of flood damage reduction and aquatic species restoration in the Chehalis River Basin. The Office must work collaboratively with the Work Group and, as much as possible, follow the Columbia River Basin Water Supply Program administrative model.

The Chehalis River Basin Flood Risk Reduction 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. Monies 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.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created:

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