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**HOUSE BILL 1735**

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**State of Washington 68th Legislature 2023 Regular Session**

**By** Representatives Lekanoff, Fitzgibbon, Ramel, Pollet, and Macri

AN ACT Relating to adding net ecological gain as a voluntary element of comprehensive plans adopted under the growth management act; amending RCW 36.70A.080, 36.70A.030, and 43.88.090; adding new sections to chapter 36.70A RCW; adding new sections to chapter 77.04 RCW; and creating a new section.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. **Sec.**  Washington state is invested in climate change, carbon reduction, and clean fuel standards, thus reducing carbon emissions and investing in renewable energy. Climate change comes with a large toolbox of responses, from prevention to adaptation and mitigation. While the state is focused on reducing carbon emissions, the state can also invest in restoring habitat to absorb the carbon that exists today and may exist in the future due to unforeseen circumstances. Investment in net ecological gain for local and state infrastructure projects in urban and rural areas enhances the habitat needed to absorb unforeseen carbon and restores a healthy ecosystem for salmon biomes. The state can also recognize that investment in an entire biome is an approach to addressing a biodiversity approach to recovering an entire environment and natural resources up and down river, through watersheds and into land areas. Net ecological gain is a commonsense approach for infrastructure and building projects that simply provides additional habitat to a location and results in an environmentally healthy place for natural resources and humans.

**Sec.**  RCW 36.70A.080 and 2011 c 318 s 801 are each amended to read as follows:

(1) A comprehensive plan may include additional elements, items, or studies dealing with other subjects relating to the physical development within its jurisdiction, including, but not limited to:

(a) Conservation;

(b) Solar energy; ((~~and~~))

(c) Recreation; and

(d) Net ecological gain.

(2) A comprehensive plan may include, where appropriate, subarea plans, each of which is consistent with the comprehensive plan.

(3)(a) Cities that qualify as a receiving city may adopt a comprehensive plan element and associated development regulations that apply within receiving areas under chapter 39.108 RCW.

(b) For purposes of this subsection, the terms "receiving city" and "receiving area" have the same meanings as provided in RCW 39.108.010.

**Sec.**  RCW 36.70A.030 and 2021 c 254 s 6 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Adopt a comprehensive land use plan" means to enact a new comprehensive land use plan or to update an existing comprehensive land use plan.

(2) "Affordable housing" means, unless the context clearly indicates otherwise, residential housing whose monthly costs, including utilities other than telephone, do not exceed ((~~thirty~~)) 30 percent of the monthly income of a household whose income is:

(a) For rental housing, ((~~sixty~~)) 60 percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development; or

(b) For owner-occupied housing, ((~~eighty~~)) 80 percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.

(3) "Agricultural land" means land primarily devoted to the commercial production of horticultural, viticultural, floricultural, dairy, apiary, vegetable, or animal products or of berries, grain, hay, straw, turf, seed, Christmas trees not subject to the excise tax imposed by RCW 84.33.100 through 84.33.140, finfish in upland hatcheries, or livestock, and that has long-term commercial significance for agricultural production.

(4) "City" means any city or town, including a code city.

(5) "Comprehensive land use plan," "comprehensive plan," or "plan" means a generalized coordinated land use policy statement of the governing body of a county or city that is adopted pursuant to this chapter.

(6) "Critical areas" include the following areas and ecosystems: (a) Wetlands; (b) areas with a critical recharging effect on aquifers used for potable water; (c) fish and wildlife habitat conservation areas; (d) frequently flooded areas; and (e) geologically hazardous areas. "Fish and wildlife habitat conservation areas" does not include such artificial features or constructs as irrigation delivery systems, irrigation infrastructure, irrigation canals, or drainage ditches that lie within the boundaries of and are maintained by a port district or an irrigation district or company.

(7) "Department" means the department of commerce.

(8) "Development regulations" or "regulation" means the controls placed on development or land use activities by a county or city, including, but not limited to, zoning ordinances, critical areas ordinances, shoreline master programs, official controls, planned unit development ordinances, subdivision ordinances, and binding site plan ordinances together with any amendments thereto. A development regulation does not include a decision to approve a project permit application, as defined in RCW 36.70B.020, even though the decision may be expressed in a resolution or ordinance of the legislative body of the county or city.

(9) "Emergency housing" means temporary indoor accommodations for individuals or families who are homeless or at imminent risk of becoming homeless that is intended to address the basic health, food, clothing, and personal hygiene needs of individuals or families. Emergency housing may or may not require occupants to enter into a lease or an occupancy agreement.

(10) "Emergency shelter" means a facility that provides a temporary shelter for individuals or families who are currently homeless. Emergency shelter may not require occupants to enter into a lease or an occupancy agreement. Emergency shelter facilities may include day and warming centers that do not provide overnight accommodations.

(11) "Extremely low-income household" means a single person, family, or unrelated persons living together whose adjusted income is at or below ((~~thirty~~)) 30 percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.

(12) "Forestland" means land primarily devoted to growing trees for long-term commercial timber production on land that can be economically and practically managed for such production, including Christmas trees subject to the excise tax imposed under RCW 84.33.100 through 84.33.140, and that has long-term commercial significance. In determining whether forestland is primarily devoted to growing trees for long-term commercial timber production on land that can be economically and practically managed for such production, the following factors shall be considered: (a) The proximity of the land to urban, suburban, and rural settlements; (b) surrounding parcel size and the compatibility and intensity of adjacent and nearby land uses; (c) long-term local economic conditions that affect the ability to manage for timber production; and (d) the availability of public facilities and services conducive to conversion of forestland to other uses.

(13) "Freight rail dependent uses" means buildings and other infrastructure that are used in the fabrication, processing, storage, and transport of goods where the use is dependent on and makes use of an adjacent short line railroad. Such facilities are both urban and rural development for purposes of this chapter. "Freight rail dependent uses" does not include buildings and other infrastructure that are used in the fabrication, processing, storage, and transport of coal, liquefied natural gas, or "crude oil" as defined in RCW 90.56.010.

(14) "Geologically hazardous areas" means areas that because of their susceptibility to erosion, sliding, earthquake, or other geological events, are not suited to the siting of commercial, residential, or industrial development consistent with public health or safety concerns.

(15) "Long-term commercial significance" includes the growing capacity, productivity, and soil composition of the land for long-term commercial production, in consideration with the land's proximity to population areas, and the possibility of more intense uses of the land.

(16) "Low-income household" means a single person, family, or unrelated persons living together whose adjusted income is at or below eighty percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.

(17) "Minerals" include gravel, sand, and valuable metallic substances.

(18) "Moderate-income household" means a single person, family, or unrelated persons living together whose adjusted income is at or below 120 percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.

(19) "Net ecological gain" means improvement over current conditions in ecological functions and values that support biodiversity and resiliency of native plant, animal, and fungi species; water quality and quantity; air quality and food security for all species. Improvement is at a cumulative scale that can be incrementally implemented through site-specific actions, with any short-term loss of those functions and values being more than offset by overall ecological gains.

(20) "Permanent supportive housing" is subsidized, leased housing with no limit on length of stay that prioritizes people who need comprehensive support services to retain tenancy and utilizes admissions practices designed to use lower barriers to entry than would be typical for other subsidized or unsubsidized rental housing, especially related to rental history, criminal history, and personal behaviors. Permanent supportive housing is paired with on-site or off-site voluntary services designed to support a person living with a complex and disabling behavioral health or physical health condition who was experiencing homelessness or was at imminent risk of homelessness prior to moving into housing to retain their housing and be a successful tenant in a housing arrangement, improve the resident's health status, and connect the resident of the housing with community-based health care, treatment, or employment services. Permanent supportive housing is subject to all of the rights and responsibilities defined in chapter 59.18 RCW.

((~~(20)~~)) (21) "Public facilities" include streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, domestic water systems, storm and sanitary sewer systems, parks and recreational facilities, and schools.

((~~(21)~~)) (22) "Public services" include fire protection and suppression, law enforcement, public health, education, recreation, environmental protection, and other governmental services.

((~~(22)~~)) (23) "Recreational land" means land so designated under RCW 36.70A.1701 and that, immediately prior to this designation, was designated as agricultural land of long-term commercial significance under RCW 36.70A.170. Recreational land must have playing fields and supporting facilities existing before July 1, 2004, for sports played on grass playing fields.

((~~(23)~~)) (24) "Rural character" refers to the patterns of land use and development established by a county in the rural element of its comprehensive plan:

(a) In which open space, the natural landscape, and vegetation predominate over the built environment;

(b) That foster traditional rural lifestyles, rural-based economies, and opportunities to both live and work in rural areas;

(c) That provide visual landscapes that are traditionally found in rural areas and communities;

(d) That are compatible with the use of the land by wildlife and for fish and wildlife habitat;

(e) That reduce the inappropriate conversion of undeveloped land into sprawling, low-density development;

(f) That generally do not require the extension of urban governmental services; and

(g) That are consistent with the protection of natural surface water flows and groundwater and surface water recharge and discharge areas.

((~~(24)~~)) (25) "Rural development" refers to development outside the urban growth area and outside agricultural, forest, and mineral resource lands designated pursuant to RCW 36.70A.170. Rural development can consist of a variety of uses and residential densities, including clustered residential development, at levels that are consistent with the preservation of rural character and the requirements of the rural element. Rural development does not refer to agriculture or forestry activities that may be conducted in rural areas.

((~~(25)~~)) (26) "Rural governmental services" or "rural services" include those public services and public facilities historically and typically delivered at an intensity usually found in rural areas, and may include domestic water systems, fire and police protection services, transportation and public transit services, and other public utilities associated with rural development and normally not associated with urban areas. Rural services do not include storm or sanitary sewers, except as otherwise authorized by RCW 36.70A.110(4).

((~~(26)~~)) (27) "Short line railroad" means those railroad lines designated class II or class III by the United States surface transportation board.

((~~(27)~~)) (28) "Urban governmental services" or "urban services" include those public services and public facilities at an intensity historically and typically provided in cities, specifically including storm and sanitary sewer systems, domestic water systems, street cleaning services, fire and police protection services, public transit services, and other public utilities associated with urban areas and normally not associated with rural areas.

((~~(28)~~)) (29) "Urban growth" refers to growth that makes intensive use of land for the location of buildings, structures, and impermeable surfaces to such a degree as to be incompatible with the primary use of land for the production of food, other agricultural products, or fiber, or the extraction of mineral resources, rural uses, rural development, and natural resource lands designated pursuant to RCW 36.70A.170. A pattern of more intensive rural development, as provided in RCW 36.70A.070(5)(d), is not urban growth. When allowed to spread over wide areas, urban growth typically requires urban governmental services. "Characterized by urban growth" refers to land having urban growth located on it, or to land located in relationship to an area with urban growth on it as to be appropriate for urban growth.

((~~(29)~~)) (30) "Urban growth areas" means those areas designated by a county pursuant to RCW 36.70A.110.

((~~(30)~~)) (31) "Very low-income household" means a single person, family, or unrelated persons living together whose adjusted income is at or below ((~~fifty~~)) 50 percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.

((~~(31)~~)) (32) "Wetland" or "wetlands" means areas that are inundated or saturated by surface water or groundwater at a frequency and duration sufficient to support, and that under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions. Wetlands generally include swamps, marshes, bogs, and similar areas. Wetlands do not include those artificial wetlands intentionally created from nonwetland sites, including, but not limited to, irrigation and drainage ditches, grass-lined swales, canals, detention facilities, wastewater treatment facilities, farm ponds, and landscape amenities, or those wetlands created after July 1, 1990, that were unintentionally created as a result of the construction of a road, street, or highway. Wetlands may include those artificial wetlands intentionally created from nonwetland areas created to mitigate conversion of wetlands.

NEW SECTION. **Sec.**  A new section is added to chapter 36.70A RCW to read as follows:

(1) The department of fish and wildlife, with recommendations from the oversight body established in section 5 of this act, shall adopt rules that establish criteria for net ecological gain and consistency with the applicable regional salmon recovery plans that counties and cities that choose to adopt a voluntary net ecological gain element in their comprehensive plans must meet through adoption of their comprehensive plans in order to support salmon recovery. In adopting rules pursuant to this section, the department of fish and wildlife must consult on an early and continuous basis with each federally recognized Indian tribe with property, tribal reservation land, or usual and accustomed fishing areas in, adjacent to, or directly affected by the planning jurisdiction. The department must also communicate with governments planning under RCW 36.70A.040 during the process of adopting rules pursuant to this section.

(2) The rules adopted under this section must address the applicable components of salmon recovery plans that local governments have authority over, such as the habitat restoration and protection elements of the recovery plans.

(3) The rules adopted under this section must ensure that, where appropriate, the interjurisdictional coordination process required by RCW 36.70A.100 addresses the issue of salmon recovery.

(4) The rules adopted under this section must not require or assume that the proponents of individual private projects will be responsible for achieving net ecological gain. Rules adopted under this section must ensure that individual private projects achieve no net loss of ecological function. Rules adopted under this section must ensure that net ecological gain is advanced through the appropriate selection of publicly funded projects, and voluntary projects whose purpose is salmon recovery but which may receive funding from either public or private sources. Rules adopted under this section related to net ecological gain must account for the impact of the urban heat island effect on ecological function.

(5) The department of fish and wildlife shall monitor progress towards the goals set forth in the regional salmon recovery plans, including parameters that affect salmonid health including, but not limited to, stream temperature, impervious surfaces, and tree canopy cover. As part of its monitoring, and as appropriate, the department of fish and wildlife shall obtain monitoring data from relevant and reliable sources including, but not limited to, local governments, state agencies, federal agencies, and Indian tribes. In addition, the department of fish and wildlife shall also monitor and report the progress that each jurisdiction planning under RCW 36.70A.040 has made toward achieving no net loss of ecological function, and the progress that each jurisdiction that chooses to include a voluntary net ecological gain element in its comprehensive plan has made toward achieving net ecological gain. As part of this ongoing monitoring effort, the department of fish and wildlife, in early and continuous consultation with each federally recognized Indian tribe with property, tribal reservation land, or usual and accustomed fishing areas in, adjacent to, or directly affected by the planning jurisdiction, and in communication with the affected local governments, shall first establish the current environmental baseline conditions within each county and city planning under RCW 36.70A.040, identify any monitoring data gaps and make recommendations to fill those gaps, and monitor the degree to which each jurisdiction that chooses to include a voluntary net ecological gain element in its comprehensive plan is successful at achieving net ecological gains and no net losses through individual projects, over time, including, where appropriate, the efforts made by jurisdictions to address the effect of urban heat islands on salmonid health. The department of fish and wildlife is encouraged to work with or seek feedback from local watershed groups in review of the current environmental baseline conditions and monitoring efforts.

(6) The department of fish and wildlife shall facilitate an ongoing and collaborative process for the purpose of identifying gaps and targets related to salmon habitat and funding, to be informed by its monitoring work pursuant to this section.

(7) The department of fish and wildlife shall provide a report of its monitoring under this section to the governor, the appropriate committees of the legislature, and the local governments subject to this act no later than October 15th of every even-numbered year, beginning in 2024.

NEW SECTION. **Sec.**  A new section is added to chapter 77.04 RCW to read as follows:

(1) A joint oversight body on net ecological gain is established for the purpose of identifying criteria for, and a system for implementing, net ecological gain on public projects.

(2) The oversight body must comply with the consultation requirements set forth in chapter 43.376 RCW.

(3) The oversight body consists of the following members:

(a) The director of the department of ecology, or the director's designee;

(b) The governor's senior policy advisor on natural resources;

(c) The director of the department of agriculture, or the director's designee;

(d) The director of the department of fish and wildlife, or the director's designee;

(e) The executive director of the state conservation commission, or the executive director's designee;

(f) The commissioner of public lands, or the commissioner's designee;

(g) The secretary of the department of transportation, or the secretary's designee;

(h) The executive director of the Puget Sound partnership, or the executive director's designee; and

(i) The director of the department of commerce, or the director's designee.

(4) There are two cochairs of the oversight body. One cochair of the oversight body must be the governor's senior policy adviser on natural resources.

(5) The oversight body must, by a majority of the members, adopt rules to govern its conduct as may be necessary or appropriate, including reasonable procedures for calling and conducting meetings of the oversight body, ensuring reasonable advance notice of each meeting, and providing for the right of the public to attend each meeting.

(6) The oversight body shall convene from time to time at the call of one or both of the cochairs or upon the request of three or more members of the oversight body. The oversight body must meet at least three times each calendar year and the oversight body is encouraged to hold at least one of its meetings each year at a location outside of Olympia. Any meeting of the oversight body must include an opportunity for public comment.

(7) The oversight body is responsible for:

(a) Determining what actions, projects, and activities count toward the achievement of net ecological gain;

(b) Determining the appropriate number of net ecological gain credits to be attributed to individual actions, projects, and activities;

(c) Developing a system that guides project proponents' development of the net ecological gain components of their projects;

(d) Developing a tracking system for net ecological gain at the appropriate scale;

(e) Recommending methods to appropriately track or account for voluntary incentive program contributions to net ecological gain from private landowners;

(f) Identifying, using the appropriate criteria and ecosystem functions, the current ecosystems baseline;

(g) Recommending ecological targets and goals that will serve as appropriate benchmarks of success; and

(h) Suggesting to the legislature key ecological milestones that should be tracked and reported.

(8) The expenses of the operations of the oversight body, including the expenses associated with the oversight body's meetings, must be paid by the department of fish and wildlife, except that the costs of attendance at oversight body meetings incurred by oversight body members, including representatives of other departments, must be borne by the individual department.

(9) A work group is created within the oversight body for the purpose of providing engagement on matters and tasks as directed by the cochairs of the oversight body. The cochairs of the oversight body must appoint members of the oversight body to serve in the work group.

(10) Staff support for the oversight body must be provided by the department of fish and wildlife.

NEW SECTION. **Sec.**  A new section is added to chapter 36.70A RCW to read as follows:

A county or city that plans to include within its comprehensive plan a net ecological gain element that complies with the net ecological gain rules adopted by the department of fish and wildlife pursuant to section 4 of this act is eligible to apply to the department for planning grant assistance of up to $100,000, subject to the availability of funds appropriated for that purpose. The department shall develop grant criteria in cooperation with the department of fish and wildlife to ensure that grant funds awarded are proportionate to the level of effort proposed by a county or city toward the achievement of net ecological gain. Funding may be provided in advance of, and to support, adoption of policies or ordinances consistent with this section. A county or city may request, and the department may award, more than $100,000 for applications that demonstrate extraordinary potential to increase net ecological gain within the county or city.

**Sec.**  RCW 43.88.090 and 2015 3rd sp.s. c 1 s 409 are each amended to read as follows:

(1)(a)(i) For purposes of developing budget proposals to the legislature, the governor shall have the power, and it shall be the governor's duty, to require from proper agency officials such detailed estimates and other information in such form and at such times as the governor shall direct. The governor shall communicate statewide priorities to agencies for use in developing biennial budget recommendations for their agency and shall seek public involvement and input on these priorities.

(ii) As part of the budget development for the department of fish and wildlife, the governor must require the director of the department of fish and wildlife to provide an estimated amount equal to 10 percent of any revenues to the general fund accruing in amounts exceeding 2022 revenues, and at least 10 percent of any budget surpluses identified by the economic and revenue forecast council created under RCW 82.33.010, to be committed to fulfilling the responsibilities of sections 4, 5, and 8 of this act.

(b) The following must be transmitted to the governor and must be included in the budget without revision: The estimates for the legislature and the judiciary ((~~shall be transmitted to the governor and shall be included in the budget without revision.~~)) and the estimates provided by the department of fish and wildlife under (a) of this subsection for fulfilling the responsibilities of sections 4, 5, and 8 of this act.

(c)(i) The estimates for state pension contributions shall be based on the rates provided in chapter 41.45 RCW. Copies of all such estimates shall be transmitted to the standing committees on ways and means of the house and senate at the same time as they are filed with the governor and the office of financial management.

(ii) The estimates shall include statements or tables which indicate, by agency, the state funds which are required for the receipt of federal matching revenues. The estimates shall be revised as necessary to reflect legislative enactments and adopted appropriations and shall be included with the initial biennial allotment submitted under RCW 43.88.110. The estimates must reflect that the agency considered any alternatives to reduce costs or improve service delivery identified in the findings of a performance audit of the agency by the joint legislative audit and review committee. Nothing in this subsection requires performance audit findings to be published as part of the budget.

(2) Each state agency shall define its mission and establish measurable goals for achieving desirable results for those who receive its services and the taxpayers who pay for those services. Each agency shall also develop clear strategies and timelines to achieve its goals. This section does not require an agency to develop a new mission or goals in place of identifiable missions or goals that meet the intent of this section. The mission and goals of each agency must conform to statutory direction and limitations.

(3) For the purpose of assessing activity performance, each state agency shall establish quality and productivity objectives for each major activity in its budget. The objectives must be consistent with the missions and goals developed under this section. The objectives must be expressed to the extent practicable in outcome-based, objective, and measurable form unless an exception to adopt a different standard is granted by the office of financial management and approved by the legislative committee on performance review. Objectives must specifically address the statutory purpose or intent of the program or activity and focus on data that measure whether the agency is achieving or making progress toward the purpose of the activity and toward statewide priorities. The office of financial management shall provide necessary professional and technical assistance to assist state agencies in the development of strategic plans that include the mission of the agency and its programs, measurable goals, strategies, and performance measurement systems.

(4) Each state agency shall adopt procedures for and perform continuous self-assessment of each activity, using the mission, goals, objectives, and measurements required under subsections (2) and (3) of this section. The assessment of the activity must also include an evaluation of major information technology systems or projects that may assist the agency in achieving or making progress toward the activity purpose and statewide priorities. The evaluation of proposed major information technology systems or projects shall be in accordance with the standards and policies established by the technology services board. Agencies' progress toward the mission, goals, objectives, and measurements required by subsections (2) and (3) of this section is subject to review as set forth in this subsection.

(a) The office of financial management shall regularly conduct reviews of selected activities to analyze whether the objectives and measurements submitted by agencies demonstrate progress toward statewide results.

(b) The office of financial management shall consult with: (i) The four-year institutions of higher education in those reviews that involve four-year institutions of higher education; and (ii) the state board for community and technical colleges in those reviews that involve two-year institutions of higher education.

(c) The goal is for all major activities to receive at least one review each year.

(d) The consolidated technology services agency shall review major information technology systems in use by state agencies periodically.

(5) It is the policy of the legislature that each agency's budget recommendations must be directly linked to the agency's stated mission and program, quality, and productivity goals and objectives. Consistent with this policy, agency budget proposals must include integration of performance measures that allow objective determination of an activity's success in achieving its goals. When a review under subsection (4) of this section or other analysis determines that the agency's objectives demonstrate that the agency is making insufficient progress toward the goals of any particular program or is otherwise underachieving or inefficient, the agency's budget request shall contain proposals to remedy or improve the selected programs. The office of financial management shall develop a plan to merge the budget development process with agency performance assessment procedures. The plan must include a schedule to integrate agency strategic plans and performance measures into agency budget requests and the governor's budget proposal over three fiscal biennia. The plan must identify those agencies that will implement the revised budget process in the 1997-1999 biennium, the 1999-2001 biennium, and the 2001-2003 biennium. In consultation with the legislative fiscal committees, the office of financial management shall recommend statutory and procedural modifications to the state's budget, accounting, and reporting systems to facilitate the performance assessment procedures and the merger of those procedures with the state budget process. The plan and recommended statutory and procedural modifications must be submitted to the legislative fiscal committees by September 30, 1996.

(6) In reviewing agency budget requests in order to prepare the governor's biennial budget request, the office of financial management shall consider the extent to which the agency's activities demonstrate progress toward the statewide budgeting priorities, along with any specific review conducted under subsection (4) of this section.

(7) In the year of the gubernatorial election, the governor shall invite the governor-elect or the governor-elect's designee to attend all hearings provided in RCW 43.88.100; and the governor shall furnish the governor-elect or the governor-elect's designee with such information as will enable the governor-elect or the governor-elect's designee to gain an understanding of the state's budget requirements. The governor-elect or the governor-elect's designee may ask such questions during the hearings and require such information as the governor-elect or the governor-elect's designee deems necessary and may make recommendations in connection with any item of the budget which, with the governor-elect's reasons therefor, shall be presented to the legislature in writing with the budget document. Copies of all such estimates and other required information shall also be submitted to the standing committees on ways and means of the house and senate.

NEW SECTION. **Sec.**  A new section is added to chapter 77.04 RCW to read as follows:

(1) The department, in collaboration with the joint oversight body on net ecological gain established in section 5 of this act, must conduct a study of current conservation programs including, but not limited to:

(a) Fish passage barrier removal;

(b) Salmon recovery funding;

(c) Stormwater financial assistance; and

(d) Model toxics control act capital grants.

(2) In the study, the department, in collaboration with the joint oversight body on net ecological gain, must assess the degree to which each conservation program achieves a net improvement in ecological conditions.

(3) The department must submit its report to the appropriate committees of the legislature no later than June 30, 2024.

**--- END ---**