
SUBSTITUTE HOUSE BILL 2875

State of Washington

54th Legislature

1996 Regular Session

By House Committee on Agriculture & Ecology (originally sponsored by Representative Chandler)

Read first time 02/06/96.

1 AN ACT Relating to water quality; amending RCW 90.70.065,
2 43.21A.064, 43.70.040, 43.99.025, and 43.300.040; reenacting and
3 amending RCW 47.01.101 and 43.88.030; adding a new section to chapter
4 28B.20 RCW; adding a new section to chapter 28B.30 RCW; adding a new
5 section to chapter 43.23 RCW; adding a new section to chapter 43.30
6 RCW; adding a new section to chapter 43.51 RCW; adding a new section to
7 chapter 77.12 RCW; adding a new section to chapter 89.08 RCW; adding a
8 new chapter to Title 90 RCW; recodifying RCW 90.70.065 and 90.70.902;
9 repealing RCW 90.70.027, 90.70.075, 90.70.090, and 90.70.100; making
10 appropriations; and declaring an emergency.

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

12 NEW SECTION. **Sec. 1.** FINDINGS. (1) The legislature finds that:
13 (a) Puget Sound and related inland marine waterways of Washington
14 state represent a unique and unparalleled resource. A rich and varied
15 range of marine organisms, comprising an interdependent, sensitive
16 communal ecosystem reside in these sheltered waters. Residents of this
17 region enjoy a way of life centered around the waters of Puget Sound,
18 featuring accessible recreational opportunities, world-class port
19 facilities and water transportation systems, harvest of marine food

1 resources, shoreline-oriented life styles, water-dependent industries,
2 tourism, irreplaceable aesthetics, and other activities, all of which
3 to some degree depend upon a clean and healthy marine resource;

4 (b) The Puget Sound water quality authority has done an excellent
5 job in developing a comprehensive plan to identify actions to restore
6 and protect the biological health and diversity of Puget Sound;

7 (c) The large number of governmental entities that now have
8 regulatory programs affecting the water quality of Puget Sound have
9 diverse interests and limited jurisdictions that cannot adequately
10 address the cumulative, wide-ranging impacts that contribute to the
11 degradation of Puget Sound; and

12 (d) Coordination of the regulatory programs, at the state and local
13 level, is best accomplished through the development of interagency
14 mechanisms that allow these entities to transcend their diverse
15 interests and limited jurisdictions.

16 (2) It is therefore the policy of the state of Washington to
17 coordinate the activities of state and local agencies in a manner that
18 will allow these entities to implement a comprehensive plan for water
19 quality protection in Puget Sound.

20 NEW SECTION. **Sec. 2.** DEFINITIONS. Unless the context clearly
21 requires otherwise, the definitions in this section apply throughout
22 this chapter.

23 (1) "Local plans" means local watershed action plans developed
24 pursuant to chapter 400-12 WAC.

25 (2) "Management team" means the Puget Sound management team.

26 (3) "Puget Sound management plan" means the 1994 Puget Sound water
27 quality management plan as it exists June 30, 1996, and as subsequently
28 amended by the management team.

29 NEW SECTION. **Sec. 3.** PUGET SOUND MANAGEMENT TEAM. (1) The Puget
30 Sound management team is created. The management team shall consist
31 of: The directors of the departments of ecology; agriculture; natural
32 resources; fish and wildlife; and community, trade, and economic
33 development; the secretaries of the departments of health and
34 transportation; the director of the parks and recreation commission;
35 the director of the interagency committee for outdoor recreation; the
36 administrative officer of the conservation commission designated in RCW
37 89.08.050; the president of the University of Washington; the president

1 of the Washington State University; and the chair of the management
2 team.

3 (2) The management team shall:

4 (a) Develop and implement a work plan and budget as provided in
5 section 5 of this act. In developing a work plan, the management team
6 shall meet the following objectives:

7 (i) Use the plan elements of the Puget Sound management plan in a
8 manner that will prioritize actions necessary to restore and protect
9 the biological health and diversity of Puget Sound;

10 (ii) Consider the problems and priorities identified in local
11 plans; and

12 (iii) Coordinate the work plan activities with other relevant
13 activities, including but not limited to, agencies' activities that
14 have not been funded through the plan, local plans, and governmental
15 and nongovernmental watershed restoration activities.

16 (b) Coordinate assignment of staff;

17 (c) Coordinate monitoring and research programs as provided in RCW
18 90.70.065 (as recodified by this act);

19 (d) Assist in the revision of the nonpoint rules and storm water
20 runoff rules as provided in section 7 of this act;

21 (e) Work under the direction of the management team chair as
22 provided in section 4 of this act;

23 (f) Coordinate permitting requirements as necessary to expedite
24 permit issuance for any local watershed plan developed pursuant to
25 rules adopted under this chapter;

26 (g) Identify and resolve any policy or rule conflicts that may
27 exist between one or more agencies represented on the management team;
28 and

29 (h) Periodically amend the Puget Sound management plan. The
30 management team shall include any proposed plan amendment in its work
31 plan submitted to the legislature prior to amending the plan.

32 (3) By June 1, 1996, the management team shall begin developing its
33 initial work plan, including assigning and coordinating necessary
34 support staff.

35 NEW SECTION. **Sec. 4.** GOVERNOR'S OFFICE. (1) By May 1, 1996, the
36 governor shall appoint a person in the governor's office to chair the
37 management team.

38 (2) The chair shall be responsible for:

1 (a) Organizing the development of the work plan required under
2 section 5 of this act;

3 (b) Presenting work plan and budget recommendations to the governor
4 and the legislature;

5 (c) Overseeing the implementation of the elements of the work plan
6 that receive funding through appropriations by the legislature; and

7 (d) Coordinate the transfer of appropriate data from the Puget
8 Sound water quality authority, including but not limited to, its
9 library, files, data bases, contracts, and grants.

10 (3) Beginning in December 1998, and every two years thereafter, the
11 chair shall submit a report to the appropriate policy and fiscal
12 committees of the legislature. The report shall:

13 (a) Describe and evaluate the successes and shortcomings of the
14 current work plan relative to the priority problems identified for each
15 geographic area of Puget Sound;

16 (b) Describe the priority problems and actions proposed for
17 inclusion into the next biennium's work plan for each geographic area
18 of Puget Sound, including a description of new and ongoing activities;

19 (c) Describe how the work plan responds to the evaluation required
20 under (a) of this subsection; and

21 (d) Describe any proposed amendments to the Puget Sound management
22 plan.

23 NEW SECTION. **Sec. 5.** WORK PLANS. (1) Each biennium, the
24 management team shall prepare a Puget Sound work plan and budget for
25 inclusion in the governor's biennial budget.

26 (2) In addition to the requirements identified under section 3
27 (2)(a) of this act, the work plan and budget shall:

28 (a) Identify, prioritize, and implement the actions necessary to
29 address the water quality problems in the following locations:

30 (i) Area 1: Island and San Juan counties;

31 (ii) Area 2: Skagit and Whatcom counties;

32 (iii) Area 3: Clallam and Jefferson counties;

33 (iv) Area 4: Snohomish, King, and Pierce counties; and

34 (v) Area 5: Kitsap, Mason, and Thurston counties;

35 (b) Provide sufficient funding to create interagency and
36 interdisciplinary teams as follows:

1 (i) At least one watershed assessment team, modeled after the Puget
2 Sound river basin team, to characterize local watersheds at the request
3 of a county;

4 (ii) At least one technical assistance team in each geographic
5 district identified under subsection (2)(a) of this section. Each
6 technical assistance team shall implement identified work plan
7 activities and provide technical assistance to local governments
8 involved in planning or implementing a local plan and to entities
9 implementing local plans;

10 The number and qualifications of personnel for each team shall be
11 determined by the types of problems identified pursuant to (a) of this
12 subsection;

13 (c) Provide sufficient funding to implement and coordinate the
14 Puget Sound ambient monitoring plan pursuant to RCW 90.70.065 (as
15 recodified by this act);

16 (d) Provide funds to counties for development and implementation of
17 local plans in a manner consistent with the criteria established under
18 section 7(1) of this act; and

19 (e) Provide sufficient funding to provide administrative and
20 oversight support for the management team.

21 (3) The work plan shall be submitted to appropriate policy and
22 fiscal committees of the legislature by December 20th of each even-
23 numbered year.

24 **Sec. 6.** RCW 90.70.065 and 1995 c 269 s 3501 are each amended to
25 read as follows:

26 (1) In addition to other powers and duties specified in this
27 chapter, the ~~((authority))~~ management team shall ensure implementation
28 and coordination of the Puget Sound ambient monitoring program
29 established in the Puget Sound management plan ~~((under—RCW~~
30 ~~90.70.060(12)))~~. The program shall include, at a minimum:

31 ~~((Develop a baseline and examine differences among areas of~~
32 ~~Puget Sound, for environmental conditions, natural resources, and~~
33 ~~contaminants in seafood, against which future changes can be measured;~~

34 ~~(b) Take measurements relating to specific program elements~~
35 ~~identified in the plan;~~

36 ~~(c) Measure the progress of the ambient monitoring programs~~
37 ~~implemented under the plan;~~

1 ~~(d) Provide a permanent record of significant natural and human-~~
2 ~~caused changes in key environmental indicators in Puget Sound; and~~

3 ~~(e) Help support research on Puget Sound.~~

4 ~~(2) Each state agency with responsibilities for implementing the~~
5 ~~Puget Sound ambient monitoring program, as specified in the plan, shall~~
6 ~~participate in the program.)) A research program, including but not~~
7 ~~limited to methods to provide current research information to managers~~
8 ~~and scientists, and to establish priorities based on the needs of the~~
9 ~~management team;~~

10 (b) A monitoring program, including protocols, guidelines, and
11 quantifiable performance measures. These performance measures shall be
12 established in a manner so as to be used by the governor, the
13 legislature, and the management team to assess the effectiveness over
14 time of programs and actions initiated under the plan to improve and
15 protect Puget Sound water quality and biological resources. The
16 performance measures shall include, but not be limited to a methodology
17 to track the progress of: Fish and wildlife habitat; sites with
18 sediment contamination; wetlands; shellfish beds; and other key
19 indicators of Puget Sound health.

20 NEW SECTION. Sec. 7. RULE MAKING. (1) By January 1, 1997, the
21 department of ecology shall adopt chapter 400-12 WAC with revisions as
22 determined by the management team. The management team shall make
23 revisions that:

24 (a) Direct counties to develop a prioritized list of watershed
25 improvement projects;

26 (b) Identify all funding sources that can be used to implement
27 local plans;

28 (c) Develop grant and loan criteria consistent with the criteria
29 established under section 8 of this act; and

30 (d) Coordinate provisions relating to storm water with revisions to
31 chapter 173-270 WAC.

32 (2) By July 1, 1997, the department of ecology shall revise its
33 storm water runoff rule, chapter 173-270 WAC, based on determinations
34 made by the management team. In making revisions to this rule, the
35 management team shall:

36 (a) Reduce the overlap and streamline storm water rules, including
37 but not limited to the coordination of requirements established through
38 storm water discharge permits;

- 1 (b) Identify and prioritize storm water retrofit programs;
 - 2 (c) Develop methods to maximize cost efficiencies for proposed
 - 3 projects;
 - 4 (d) Establish roles and responsibilities of state agencies to
 - 5 provide technical assistance and to facilitate technology transfer;
 - 6 (e) Develop methods for monitoring and evaluating activities
 - 7 carried out under the program;
 - 8 (f) Determine a process for evaluating off-site placement of storm
 - 9 water facilities and out-of-kind mitigation for storm water impact
 - 10 within a watershed in which a transportation project is located;
 - 11 (g) Ensure adequate maintenance of storm water facilities;
 - 12 (h) Identify potential funding sources and develop funding
 - 13 mechanisms to implement the regulatory requirements of this rule;
 - 14 (i) Impose rules on a schedule that can be accomplished within
 - 15 available funds; and
 - 16 (j) Coordinate provisions relating to mitigation in chapter 400-12
 - 17 WAC.
- 18 (3) The department of ecology shall submit a copy of the rule to
- 19 the management team after the public hearing process and before final
- 20 adoption of the rule.

21 NEW SECTION. **Sec. 8.** CONSOLIDATED FUNDING. (1) The management

22 team shall design a funding mechanism to support the implementation of

23 local plans. The funding mechanism is intended to provide grants or

24 loans from any combination of fund sources available to the management

25 team through its members' existing budgets. In implementing the

26 funding mechanism, the management team shall make every effort to keep

27 the application and funding process simple for those applying.

28 (2) The management team shall identify any existing fund sources

29 that may need statutory modification in order to be used to implement

30 the work plan or to provide to local jurisdictions to implement local

31 plans. The management team shall report to the legislature by December

32 1, 1996, regarding its finding.

33 (3) The management team shall develop grant criteria and loan

34 criteria that:

- 35 (a) Give priority to implementation over planning;
- 36 (b) Achieve cost efficiencies; and
- 37 (c) Give priority to local plans that have secured local funding,
- 38 including in-kind contributions.

1 NEW SECTION. **Sec. 9.** A new section is added to chapter 28B.20 RCW
2 to read as follows:

3 The president of the University of Washington shall be a member of
4 the Puget Sound management team created in section 3 of this act.

5 NEW SECTION. **Sec. 10.** A new section is added to chapter 28B.30
6 RCW to read as follows:

7 The president of Washington State University shall be a member of
8 the Puget Sound management team created in section 3 of this act.

9 **Sec. 11.** RCW 43.21A.064 and 1995 c 8 s 3 are each amended to read
10 as follows:

11 Subject to RCW 43.21A.068, the director of the department of
12 ecology shall have the following powers and duties:

13 (1) The supervision of public waters within the state and their
14 appropriation, diversion, and use, and of the various officers
15 connected therewith;

16 (2) Insofar as may be necessary to assure safety to life or
17 property, ~~((he shall inspect))~~ inspection of the construction of all
18 dams, canals, ditches, irrigation systems, hydraulic power plants, and
19 all other works, systems, and plants pertaining to the use of water,
20 and ~~((he))~~ the director may require such necessary changes in the
21 construction or maintenance of said works, to be made from time to
22 time, as will reasonably secure safety to life and property;

23 (3) ~~((He shall regulate))~~ Regulation and control the diversion of
24 water in accordance with the rights thereto;

25 (4) ~~((He shall determine))~~ Determining the discharge of streams and
26 springs and other sources of water supply, and the capacities of lakes
27 and of reservoirs whose waters are being or may be utilized for
28 beneficial purposes;

29 (5) ~~((He shall keep))~~ Keeping such records as may be necessary for
30 the recording of the financial transactions and statistical data
31 thereof, and ~~((shall procure))~~ procurement of all necessary documents,
32 forms, and blanks. ~~((He))~~ The director shall keep a seal of the
33 office, and all certificates by ~~((him))~~ the director covering any of
34 ~~((his))~~ the director's acts or the acts of ~~((his))~~ office, or the
35 records and files of ~~((his))~~ the director's office, under such seal,
36 shall be taken as evidence thereof in all courts;

1 (6) (~~He shall render~~) Rendering when required by the governor, a
2 full written report of the work of (~~his~~) the office with such
3 recommendations for legislation as (~~he~~) may (~~deem~~) be advisable for
4 the better control and development of the water resources of the state;

5 (7) (~~The director and~~) In addition to duly authorized deputies
6 (~~may~~), to administer oaths;

7 (8) (~~He shall establish and promulgate~~) To adopt rules governing
8 the administration of chapter 90.03 RCW;

9 (9) (~~He shall~~) Be a member of the Puget Sound management team
10 created in section 3 of this act; and

11 (10) To perform such other duties as may be prescribed by law.

12 NEW SECTION. Sec. 12. A new section is added to chapter 43.23 RCW
13 to read as follows:

14 The director of agriculture shall be a member of the Puget Sound
15 management team created in section 3 of this act.

16 NEW SECTION. Sec. 13. A new section is added to chapter 43.30 RCW
17 to read as follows:

18 The administrator shall be a member of the Puget Sound management
19 team created in section 3 of this act.

20 NEW SECTION. Sec. 14. A new section is added to chapter 43.51 RCW
21 to read as follows:

22 The director employed pursuant to RCW 43.51.061 shall be a member
23 of the Puget Sound management team created in section 3 of this act.

24 **Sec. 15.** RCW 43.70.040 and 1995 c 403 s 105 are each amended to
25 read as follows:

26 (1) In addition to any other powers granted the secretary, the
27 secretary may:

28 (~~(1)~~) (a) Adopt, in accordance with chapter 34.05 RCW, rules
29 necessary to carry out the provisions of chapter 9, Laws of 1989 1st
30 ex. sess.: PROVIDED, That for rules adopted after July 23, 1995, the
31 secretary may not rely solely on a section of law stating a statute's
32 intent or purpose, on the enabling provisions of the statute
33 establishing the agency, or on any combination of such provisions, for
34 statutory authority to adopt any rule;

1 ~~((2))~~ (b) Appoint such advisory committees as may be necessary to
2 carry out the provisions of chapter 9, Laws of 1989 1st ex. sess.
3 Members of such advisory committees are authorized to receive travel
4 expenses in accordance with RCW 43.03.050 and 43.03.060. The secretary
5 and the board of health shall review each advisory committee within
6 their jurisdiction and each statutory advisory committee on a biennial
7 basis to determine if such advisory committee is needed. The criteria
8 specified in RCW 43.131.070 shall be used to determine whether or not
9 each advisory committee shall be continued;

10 ~~((3))~~ (c) Undertake studies, research, and analysis necessary to
11 carry out the provisions of chapter 9, Laws of 1989 1st ex. sess. in
12 accordance with RCW 43.70.050;

13 ~~((4))~~ (d) Delegate powers, duties, and functions of the
14 department to employees of the department as the secretary deems
15 necessary to carry out the provisions of chapter 9, Laws of 1989 1st
16 ex. sess.;

17 ~~((5))~~ (e) Enter into contracts on behalf of the department to
18 carry out the purposes of chapter 9, Laws of 1989 1st ex. sess.;

19 ~~((6))~~ (f) Act for the state in the initiation of, or the
20 participation in, any intergovernmental program to the purposes of
21 chapter 9, Laws of 1989 1st ex. sess.; or

22 ~~((7))~~ (g) Accept gifts, grants, or other funds.

23 (2) The secretary shall be a member of the Puget Sound management
24 team created in section 3 of this act.

25 **Sec. 16.** RCW 43.99.025 and 1989 c 237 s 4 are each amended to read
26 as follows:

27 The director shall have the following powers and duties:

28 (1) To supervise the administrative operations of the committee and
29 its staff;

30 (2) To administer recreation grant-in-aid programs and provide
31 technical assistance to state and local agencies;

32 (3) To prepare and update a strategic plan for the acquisition,
33 renovation, and development of recreational resources and the
34 preservation and conservation of open space. The plan shall be
35 prepared in coordination with the office of the governor and the office
36 of financial management, with participation of federal, state, and
37 local agencies having recreational responsibilities, user groups,
38 private sector interests, and the general public. The plan shall be

1 submitted to the committee for review, and the committee shall submit
2 its recommendations on the plan to the governor. The plan shall
3 include, but is not limited to: (a) an inventory of current resources;
4 (b) a forecast of recreational resource demand; (c) identification and
5 analysis of actual and potential funding sources; (d) a process for
6 broad scale information gathering; (e) an assessment of the
7 capabilities and constraints, both internal and external to state
8 government, that affect the ability of the state to achieve the goals
9 of the plan; (f) an analysis of strategic options and decisions
10 available to the state; (g) an implementation strategy that is
11 coordinated with executive policy and budget priorities; and (h)
12 elements necessary to qualify for participation in or the receipt of
13 aid from any federal program for outdoor recreation;

14 (4) To represent and promote the interests of the state on
15 recreational issues and further the mission of the committee;

16 (5) Upon approval of the committee, to enter into contracts and
17 agreements with private nonprofit corporations to further state goals
18 of preserving, conserving, and enhancing recreational resources and
19 open space for the public benefit and use;

20 (6) To appoint such technical and other committees as may be
21 necessary to carry out the purposes of this chapter;

22 (7) To create and maintain a repository for data, studies,
23 research, and other information relating to recreation in the state,
24 and to encourage the interchange of such information;

25 (8) To encourage and provide opportunities for interagency and
26 regional coordination and cooperative efforts between public agencies
27 and between public and private entities involved in the development and
28 preservation of recreational resources; ((and))

29 (9) To prepare the state trails plan, as required by RCW 67.32.050;
30 and

31 (10) To be a member of the Puget Sound management team created in
32 section 3 of this act.

33 **Sec. 17.** RCW 43.300.040 and 1993 sp.s. c 2 s 5 are each amended to
34 read as follows:

35 In addition to other powers and duties granted or transferred to
36 the director, the director shall have the following powers and duties:

37 (1) Supervise and administer the department in accordance with law;

1 (2) Appoint personnel and prescribe their duties. Except as
2 otherwise provided, personnel of the department are subject to chapter
3 41.06 RCW, the state civil service law;

4 (3) Enter into contracts on behalf of the agency;

5 (4) Adopt rules in accordance with chapter 34.05 RCW, the
6 administrative procedure act;

7 (5) Delegate powers, duties, and functions as the director deems
8 necessary for efficient administration but the director shall be
9 responsible for the official acts of the officers and employees of the
10 department;

11 (6) Appoint advisory committees and undertake studies, research,
12 and analysis necessary to support the activities of the department;

13 (7) Accept and expend grants, gifts, or other funds to further the
14 purposes of the department;

15 (8) Carry out the policies of the governor and the basic goals and
16 objectives as prescribed by the fish and wildlife commission pursuant
17 to RCW 77.04.055; ((and))

18 (9) Be a member of the Puget Sound management team created in
19 section 3 of this act; and

20 (10) Perform other duties as are necessary and consistent with law.

21 **Sec. 18.** RCW 47.01.101 and 1987 c 505 s 48 and 1987 c 179 s 1 are
22 each reenacted and amended to read as follows:

23 The secretary shall have the authority and it shall be his or her
24 duty, subject to policy guidance from the commission:

25 (1) To serve as chief executive officer of the department with full
26 administrative authority to direct all its activities;

27 (2) To organize the department as he or she may deem necessary to
28 carry out the work and responsibilities of the department effectively;

29 (3) To designate and establish such transportation district or
30 branch offices as may be necessary or convenient, and to appoint
31 assistants and delegate any powers, duties, and functions to them or
32 any officer or employee of the department as deemed necessary to
33 administer the department efficiently;

34 (4) To direct and coordinate the programs of the various divisions
35 of the department to assure that they achieve the greatest possible
36 mutual benefit, produce a balanced overall effort, and eliminate
37 unnecessary duplication of activity;

1 (5) To adopt all department rules that are subject to the adoption
2 procedures contained in the state administrative procedure act, except
3 rules subject to adoption by the commission pursuant to statute;

4 (6) To maintain and safeguard the official records of the
5 department, including the commission's recorded resolutions and orders;

6 (7) To provide full staff support to the commission to assist it in
7 carrying out its functions, powers, and duties and to execute the
8 policy established by the commission pursuant to its legislative
9 authority;

10 (8) To execute and implement the biennial operating budget for the
11 operation of the department in accordance with chapter 43.88 RCW and
12 with legislative appropriation and, in such manner as prescribed
13 therein, to make and report to the commission and the chairs of the
14 transportation committees of the senate and house of representatives,
15 including one copy to the staff of each of the committees, deviations
16 from the planned biennial category A and H highway construction
17 programs necessary to adjust to unexpected delays or other
18 unanticipated circumstances((-));

19 (9) To be a member of the Puget Sound management team created in
20 section 3 of this act; and

21 (10) To exercise all other powers and perform all other duties as
22 are now or hereafter provided by law.

23 NEW SECTION. Sec. 19. A new section is added to chapter 77.12 RCW
24 to read as follows:

25 The director shall be a member of the Puget Sound management team
26 created in section 3 of this act.

27 NEW SECTION. Sec. 20. A new section is added to chapter 89.08 RCW
28 to read as follows:

29 The administrative officer designated in RCW 89.08.050 shall be a
30 member of the Puget Sound management team created in section 3 of this
31 act.

32 **Sec. 21.** RCW 43.88.030 and 1994 c 247 s 7 and 1994 c 219 s 2 are
33 each reenacted and amended to read as follows:

34 (1) The director of financial management shall provide all agencies
35 with a complete set of instructions for submitting biennial budget
36 requests to the director at least three months before agency budget

1 documents are due into the office of financial management. The
2 director shall provide agencies that are required under RCW 44.40.070
3 to develop comprehensive six-year program and financial plans with a
4 complete set of instructions for submitting these program and financial
5 plans at the same time that instructions for submitting other budget
6 requests are provided. The budget document or documents shall consist
7 of the governor's budget message which shall be explanatory of the
8 budget and shall contain an outline of the proposed financial policies
9 of the state for the ensuing fiscal period, as well as an outline of
10 the proposed six-year financial policies where applicable, and shall
11 describe in connection therewith the important features of the budget.
12 The message shall set forth the reasons for salient changes from the
13 previous fiscal period in expenditure and revenue items and shall
14 explain any major changes in financial policy. Attached to the budget
15 message shall be such supporting schedules, exhibits and other
16 explanatory material in respect to both current operations and capital
17 improvements as the governor shall deem to be useful to the
18 legislature. The budget document or documents shall set forth a
19 proposal for expenditures in the ensuing fiscal period, or six-year
20 period where applicable, based upon the estimated revenues as approved
21 by the economic and revenue forecast council or upon the estimated
22 revenues of the office of financial management for those funds,
23 accounts, and sources for which the office of the economic and revenue
24 forecast council does not prepare an official forecast, including those
25 revenues anticipated to support the six-year programs and financial
26 plans under RCW 44.40.070. In estimating revenues to support financial
27 plans under RCW 44.40.070, the office of financial management shall
28 rely on information and advice from the interagency revenue task force.
29 Revenues shall be estimated for such fiscal period from the source and
30 at the rates existing by law at the time of submission of the budget
31 document, including the supplemental budgets submitted in the even-
32 numbered years of a biennium. However, the estimated revenues for use
33 in the governor's budget document may be adjusted to reflect budgetary
34 revenue transfers and revenue estimates dependent upon budgetary
35 assumptions of enrollments, workloads, and caseloads. All adjustments
36 to the approved estimated revenues must be set forth in the budget
37 document. The governor may additionally submit, as an appendix to each
38 supplemental, biennial, or six-year agency budget or to the budget
39 document or documents, a proposal for expenditures in the ensuing

1 fiscal period from revenue sources derived from proposed changes in
2 existing statutes.

3 Supplemental and biennial documents shall reflect a six-year
4 expenditure plan consistent with estimated revenues from existing
5 sources and at existing rates for those agencies required to submit
6 six-year program and financial plans under RCW 44.40.070. Any
7 additional revenue resulting from proposed changes to existing statutes
8 shall be separately identified within the document as well as related
9 expenditures for the six-year period.

10 The budget document or documents shall also contain:

11 (a) Revenues classified by fund and source for the immediately past
12 fiscal period, those received or anticipated for the current fiscal
13 period, those anticipated for the ensuing biennium, and those
14 anticipated for the ensuing six-year period to support the six-year
15 programs and financial plans required under RCW 44.40.070;

16 (b) The undesignated fund balance or deficit, by fund;

17 (c) Such additional information dealing with expenditures,
18 revenues, workload, performance, and personnel as the legislature may
19 direct by law or concurrent resolution;

20 (d) Such additional information dealing with revenues and
21 expenditures as the governor shall deem pertinent and useful to the
22 legislature;

23 (e) Tabulations showing expenditures classified by fund, function,
24 activity and object;

25 (f) A delineation of each agency's activities, including those
26 activities funded from nonbudgeted, nonappropriated sources, including
27 funds maintained outside the state treasury;

28 (g) Identification of all proposed direct expenditures to implement
29 the Puget Sound water quality plan under chapters 90.70 and 90.--
30 (sections 1 through 5, 7, 8, and 24 of this act) RCW, shown by agency
31 and in total. At the same time the Puget Sound management team
32 provides the work plan and associated budget to the office of financial
33 management according to the budget instructions required in subsection
34 (1) of this section, the Puget Sound management team shall provide a
35 copy to the appropriate policy and fiscal committees of the
36 legislature; and

37 (h) Tabulations showing each postretirement adjustment by
38 retirement system established after fiscal year 1991, to include, but
39 not be limited to, estimated total payments made to the end of the

1 previous biennial period, estimated payments for the present biennium,
2 and estimated payments for the ensuing biennium.

3 (2) The budget document or documents shall include detailed
4 estimates of all anticipated revenues applicable to proposed operating
5 or capital expenditures and shall also include all proposed operating
6 or capital expenditures. The total of beginning undesignated fund
7 balance and estimated revenues less working capital and other reserves
8 shall equal or exceed the total of proposed applicable expenditures.
9 The budget document or documents shall further include:

10 (a) Interest, amortization and redemption charges on the state
11 debt;

12 (b) Payments of all reliefs, judgments and claims;

13 (c) Other statutory expenditures;

14 (d) Expenditures incident to the operation for each agency;

15 (e) Revenues derived from agency operations;

16 (f) Expenditures and revenues shall be given in comparative form
17 showing those incurred or received for the immediately past fiscal
18 period and those anticipated for the current biennium and next ensuing
19 biennium, as well as those required to support the six-year programs
20 and financial plans required under RCW 44.40.070;

21 (g) A showing and explanation of amounts of general fund and other
22 funds obligations for debt service and any transfers of moneys that
23 otherwise would have been available for appropriation;

24 (h) Common school expenditures on a fiscal-year basis;

25 (i) A showing, by agency, of the value and purpose of financing
26 contracts for the lease/purchase or acquisition of personal or real
27 property for the current and ensuing fiscal periods; and

28 (j) A showing and explanation of anticipated amounts of general
29 fund and other funds required to amortize the unfunded actuarial
30 accrued liability of the retirement system specified under chapter
31 41.45 RCW, and the contributions to meet such amortization, stated in
32 total dollars and as a level percentage of total compensation.

33 (3) A separate capital budget document or schedule shall be
34 submitted that will contain the following:

35 (a) A statement setting forth a long-range facilities plan for the
36 state that identifies and includes the highest priority needs within
37 affordable spending levels;

38 (b) A capital program consisting of proposed capital projects for
39 the next biennium and the two biennia succeeding the next biennium

1 consistent with the long-range facilities plan. Inasmuch as is
2 practical, and recognizing emergent needs, the capital program shall
3 reflect the priorities, projects, and spending levels proposed in
4 previously submitted capital budget documents in order to provide a
5 reliable long-range planning tool for the legislature and state
6 agencies;

7 (c) A capital plan consisting of proposed capital spending for at
8 least four biennia succeeding the next biennium;

9 (d) A statement of the reason or purpose for a project;

10 (e) Verification that a project is consistent with the provisions
11 set forth in chapter 36.70A RCW;

12 (f) A statement about the proposed site, size, and estimated life
13 of the project, if applicable;

14 (g) Estimated total project cost;

15 (h) For major projects valued over five million dollars, estimated
16 costs for the following project components: Acquisition, consultant
17 services, construction, equipment, project management, and other costs
18 included as part of the project. Project component costs shall be
19 displayed in a standard format defined by the office of financial
20 management to allow comparisons between projects;

21 (i) Estimated total project cost for each phase of the project as
22 defined by the office of financial management;

23 (j) Estimated ensuing biennium costs;

24 (k) Estimated costs beyond the ensuing biennium;

25 (l) Estimated construction start and completion dates;

26 (m) Source and type of funds proposed;

27 (n) Estimated ongoing operating budget costs or savings resulting
28 from the project, including staffing and maintenance costs;

29 (o) For any capital appropriation requested for a state agency for
30 the acquisition of land or the capital improvement of land in which the
31 primary purpose of the acquisition or improvement is recreation or
32 wildlife habitat conservation, the capital budget document, or an
33 omnibus list of recreation and habitat acquisitions provided with the
34 governor's budget document, shall identify the projected costs of
35 operation and maintenance for at least the two biennia succeeding the
36 next biennium. Omnibus lists of habitat and recreation land
37 acquisitions shall include individual project cost estimates for
38 operation and maintenance as well as a total for all state projects
39 included in the list. The document shall identify the source of funds

1 from which the operation and maintenance costs are proposed to be
2 funded;

3 (p) Such other information bearing upon capital projects as the
4 governor deems to be useful;

5 (q) Standard terms, including a standard and uniform definition of
6 maintenance for all capital projects;

7 (r) Such other information as the legislature may direct by law or
8 concurrent resolution.

9 For purposes of this subsection (3), the term "capital project"
10 shall be defined subsequent to the analysis, findings, and
11 recommendations of a joint committee comprised of representatives from
12 the house capital appropriations committee, senate ways and means
13 committee, legislative transportation committee, legislative evaluation
14 and accountability program committee, and office of financial
15 management.

16 (4) No change affecting the comparability of agency or program
17 information relating to expenditures, revenues, workload, performance
18 and personnel shall be made in the format of any budget document or
19 report presented to the legislature under this section or RCW
20 43.88.160(1) relative to the format of the budget document or report
21 which was presented to the previous regular session of the legislature
22 during an odd-numbered year without prior legislative concurrence.
23 Prior legislative concurrence shall consist of (a) a favorable majority
24 vote on the proposal by the standing committees on ways and means of
25 both houses if the legislature is in session or (b) a favorable
26 majority vote on the proposal by members of the legislative evaluation
27 and accountability program committee if the legislature is not in
28 session.

29 NEW SECTION. **Sec. 22.** The following acts or parts of acts are
30 each repealed:

- 31 (1) RCW 90.70.027 and 1992 c 63 s 15;
32 (2) RCW 90.70.075 and 1990 c 115 s 10;
33 (3) RCW 90.70.090 and 1990 c 115 s 8; and
34 (4) RCW 90.70.100 and 1991 c 200 s 502.

35 NEW SECTION. **Sec. 23.** RCW 90.70.065 and 90.70.902 are each
36 recodified as new sections in the new chapter created in section 25 of
37 this act.

1 NEW SECTION. **Sec. 24.** CAPTIONS NOT LAW. Captions used in this
2 chapter do not constitute any part of the law.

3 NEW SECTION. **Sec. 25.** This act may be known and cited as the
4 Puget Sound water quality protection act.

5 NEW SECTION. **Sec. 26.** Sections 1 through 5, 7, 8, 24, and 25 of
6 this act shall constitute a new chapter in Title 90 RCW.

7 NEW SECTION. **Sec. 27.** (1) The sum of one hundred thousand
8 dollars, or as much thereof as may be necessary, is appropriated for
9 the fiscal year ending June 30, 1997, from the general fund to the
10 governor's office to hire a chair pursuant to section 4 of this act.

11 (2) The sum of one million dollars, or as much thereof as may be
12 necessary, is appropriated for the biennium ending June 30, 1997, from
13 the water quality account to the department of ecology to provide
14 grants to local jurisdictions for on-site sewage system projects or
15 programs identified in local plans. In issuing grants, the department
16 shall give priority to areas that have formed shellfish protection
17 districts under chapter 90.72 RCW.

18 NEW SECTION. **Sec. 28.** Sections 3 and 4 of this act are necessary
19 for the immediate preservation of the public peace, health, or safety,
20 or support of the state government and its existing public
21 institutions, and shall take effect immediately.

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