March 6, 2014

Re: Supplemental Budget

Dear Senators Hill and Honeyford and Representatives Hunter and Dunshee:

As Chair of the Leadership Council, the governing body of the Puget Sound Partnership, I urge your consideration of the investments below as you complete the final operating and capital budgets for the 2014 legislative session. I am writing on behalf of the multitude of partners working together to recover Puget Sound.

The Puget Sound Partnership ranked the following investments as those most likely to result in the highest system-wide benefits. These investments will implement the Action Agenda and are consistent with the regional priorities adopted by our partners to recover salmon, prevent and cleanup toxic stormwater pollution, and improve the health of shellfish beds. We believe these investments represent the most efficient use of limited tax dollars to bring about the shared regional benefits that derive from Puget Sound protection and restoration.

**OPERATING BUDGET**

- **Local government planning support** *(Dept. of Commerce, rank #1)*
  Support $982,000 in the Governor’s budget for cities and counties to provide essential financial and technical assistance to cities and counties to keep their comprehensive plans updated and compliant with the Growth Management Act. Local governments constitute the front line of defense for protecting and restoring the health of Puget Sound; however, technical and financial assistance has been reduced more than 72 percent since 2007-2009, when the last required update of the Comprehensive Plan occurred.
• **Managing and preventing invasive species** *(Dept. of Fish & Wildlife, rank #3)*

Support the policy and $505,000 in the Senate budget for ESB 6040, which expands the Aquatic Invasive Species Program (AISP) to reduce the risk of serious environmental and economic damage to Puget Sound and the state's aquatic ecosystems. The current budget for the AISP is less than $900,000 per biennium, which is significantly less than similar programs in other western states’ budgets. By Fiscal Year 2017, ESB 6040 will provide an estimated $1.4 million per Fiscal Year for this important program. Today, only one-half of the water bodies considered at high risk of contamination are inspected each year. Such limited monitoring provides opportunities for aquatic invasive species to establish and reproduce to a point that significantly threatens local economies and environmental health.

• **Ongoing funding to reduce oil spill risk rail/vessel** *(Dept. of Ecology, rank #4)*

Support ongoing funding of $652,000 for this important work, as proposed in the budgets of both the Governor and Senate. The House budget note indicates one-time funding instead of ongoing funding for this work. However, without ongoing funding, the Dept. of Ecology will only be able to complete nine of the 52 Geographic Response Plans needed to address the emerging threat of oil spills along Washington State’s rail corridors. Incomplete and untested response plans mean greater risk for damages to the environment and economic loss to the state in the event of a major oil spill. Additionally, without the increased funding, the state will also lack the expertise needed for oil spill risk assessment and prevention for inland crude oil transport by rail, as well as be vessel in marine and river waters.

• **Reducing livestock inputs** *(Conservation Commission, rank #5)*

Invest $2.5 million to help landowners, farmers, and ranchers develop and implement dairy and livestock management plans. This investment helps reduce regulatory activity, prevent contributions to water quality degradation from livestock, reduce sources of shellfish closures, and meet water quality standards.

• **Ensuring compliance with product laws** *(Dept. of Ecology, rank #6)*

Support $611,000 in the budgets of both the Governor and House to ensure compliance with laws recently adopted by the Legislature. This investment helps limit certain toxic chemicals and metals in consumer products and packaging and is related to the implementation of the Action Agenda.

• **Expanding toxic cleanup capacity** *(Dept. of Ecology, rank #8)*

Support $1.4 million in the budgets of both the Governor and Senate to meet the requirements of 2E2SSB 5296 (MTCA bill from 2013) and more effectively protect people and the environment by accelerating cleanup of contaminated sites. This investment will expand the Dept. of Ecology's cleanup capacity and provide adequate financial and contract management resources to meet legal requirements, reduce the time it takes to complete cleanup of contaminated sites, and improve the cleanup process.
Other important items the Puget Sound Partnership did not previously rank, but which support the implementation of the Action Agenda include:

- **Ocean acidification monitoring.** Support $422,000 in the Senate budget for the Dept. of Natural Resources to increase the number of nearshore ocean acidification monitoring sites in Puget Sound and coastal estuaries.

- **Proviso to improve regional alignment, accountability and efficiency for watershed organizations in the Puget Sound basin.** Support $71,000 in the Senate’s proviso budget to authorize Puget Sound Partnership to review the hundreds of various Puget Sound watershed organizations that were created by the Legislature, and to make recommendations for increasing alignment and coordination.

**CAPITAL BUDGET**

- **Voluntary Stewardship Program (Conservation Commission, rank #4)**
  Support $7 million in the Senate budget for a new, effective, and collaborative approach to protecting critical areas under the Growth Management Act in 28 counties. In 2011, the State Legislature and Governor established the Voluntary Stewardship Program (VSP) at the State Conservation Commission. This negotiated program resolves an ongoing dispute between the environmental community, agriculture stakeholders, and counties about how best to protect critical areas while maintaining agricultural production. Funding for two counties was included in the 2013-15 operating budget, but 26 counties remain unfunded and would revert to the traditional GMA approach that led to the earlier contentious disputes. This is an important initiative supported by our partners in shellfish, agriculture, counties, environmental community, and conservation districts. It is also supported by the Ruckelshaus Center. We strongly urge your support for full funding and, if possible, provision of a funding source that does not deplete money to address toxics.

- **Remedial action grants (Dept. of Ecology, rank #5)**
  Support $21.7 million in the Senate budget ($9 million in the Governor’s budget and $21.3 million in the House budget) for grants provided to local governments for cleanup of toxic sites. This funding will protect public and environmental health, create jobs, and promote economic development by allowing these properties to be redeveloped.

- **Cleanup Puget Sound toxic waste sites (Dept. of Ecology, rank #6)**
  Support $17.9 million in the Senate budget ($15.4 million in the Governor and House budgets) to continue making progress on the 241 contaminated sites within one-half mile of the Puget Sound shoreline. Cleanup of these sites would protect public and environmental health, create jobs, and promote economic development by allowing these properties to be redeveloped.
• **Public Works Trust Fund Pre-Construction Loans** *(Dept. of Commerce, rank #7)*
  Support $10 million in the Governor’s budget to finance the preconstruction activities of critical local infrastructure projects. These investments enable local governments to make improvements in aging and antiquated infrastructure that will ensure clean water stays clean and polluted water is treated. This loan program is one of the few funding resources available to local governments for pre-construction activities. Many communities would be eligible for pre-construction funds that would enable them to upgrade their facilities.

Other important items the Puget Sound Partnership did not previously rank, but which support the implementation of the Action Agenda include:

• **Flood hazard reduction grants.** Support $25 million in the House budget, of which $23 million is for a statewide competitive grant program for flood hazard reduction projects that would also protect or restore floodplain ecosystem functions, benefit fish habitat, and achieve multiple benefits.

• **Clean Water Act mitigation.** Support $25 million in the House budget for a statewide competitive grant program that would enable local governments to invest in stormwater projects that would provide a water quality or ecological benefit, address pollution from existing development, and support partnerships to reduce toxic water pollution.

As we keep moving forward and work together toward the upcoming 2015-2017 Biennial Budget, it is important to emphasize the need to restore funding to the Public Works Assistance Account and to provide financial assistance to cities and counties to keep their Comprehensive Plans updated and compliant with the Growth Management Act. The importance of these investments will only increase as population continues to grow throughout the Puget Sound region.

Thank you for your continued attention to advance the recovery of Puget Sound, and the economic, ecological, and quality of life the recovery brings to us all.

Respectfully,

Martha Kongsgaard
Chair, Leadership Council

cc: Governor Jay Inslee
Senate and House Leadership
Ranking Fiscal Committee Members
Sheida Sahandy, Executive Director, Puget Sound Partnership
David Schumacher, Director, Office of Financial Management