



GOVERNOR CHRIS GREGOIRE

2013 Budget Policy Brief

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TARGETED INVESTMENTS TO ADDRESS THREATS TO THE PUGET SOUND AND OUR COAST

The Puget Sound has remarkable economic, scenic, cultural and recreational value. Unfortunately, the Puget Sound is sick — poor water quality and disappearing habitat are adversely affecting shellfish and fish populations and putting human health at risk. It is also becoming increasingly evident that increased carbon emissions are causing ocean acidification, further threatening our shellfish and fish populations both in the Sound and on the coast.



When Governor Gregoire took office eight years ago, she made the restoration of Puget Sound one of her top priorities. In 2007, to focus scarce state resources on this endeavor, and to leverage federal funds, the Governor proposed and the Legislature established the **Puget Sound Partnership**, a collaboration of citizens, governments, tribes, scientists and businesses. Since the creation of the Puget Sound Partnership, nearly \$700 million in state, federal and local funds have been invested in more than 700 projects addressing a range of problems facing the Sound.

The Puget Sound Partnership recently released an updated, science-based, prioritized **Action Agenda** to guide efforts to protect and restore the Sound. This plan will steer future investments in the most efficient way and to the most important activities necessary to restore the Sound. The Partnership has also created the Puget Sound **“Vital Signs”** report which establishes a clear set of indicators and benchmarks to track progress in restoration work. Some indicators of Sound health related to shellfish bed and estuary restoration are starting to move in the right direction, but much more work remains to be done.

In late 2011, the Governor convened an **Ocean Acidification Task Force** to review what is known about ocean acidification in the state and its impact on our ecosystem, shellfish industry and communities. The Task Force released its final report in November 2012 with recommendations for immediate actions.

Governor Gregoire’s proposed 2013–15 budget directs \$501 million, including \$469 million in capital funds and \$25 million in transportation funds, to prioritized, high-value activities to restore and protect Puget Sound and to address ocean acidification. This is the largest investment the Governor has proposed for the Sound. Money is appropriated to a number of agencies, including the departments of Ecology and Natural Resources, the Puget Sound Partnership and the Recreation and Conservation Office, which have Puget Sound-related and water-quality programs. This infusion of investments will lead to cleaner water, healthier ecosystems, more vibrant fisheries and greater recreational opportunities for future generations.

Among the many activities recommended for funding in the operating and capital budgets are those which accomplish the following goals:

CLEAN UP CONTAMINATED LANDS AND HAZARDOUS WASTE

ASARCO cleanup

ASARCO operated smelters in Everett and Tacoma that released arsenic, lead and other contaminants over 1,000 square miles in the lower Puget Sound. The state received more than \$150 million in settlement funds from ASARCO in late 2009. The Department of Ecology will continue cleanup of the contaminated soil as part of its 10-year plan. (\$25.7 million Cleanup Settlement Account.

Puget Sound portion: \$24.8 million)

Toxic sites cleanup

Ecology will provide grants to local governments to clean up contaminated sites to protect public and environmental health, create jobs and promote economic development by allowing contaminated properties to be redeveloped. (\$29.0 million State Toxics Control Account, \$71.5 million Local Toxics Control Account. **Puget Sound portion:** \$29.0 million State Toxics Control Account, \$50.1 million Local Toxics Control Account)

ENSURE CLEAN WATER

Centennial Clean Water Program

This competitive program provides grants to local governments for water pollution control facilities and nonpoint pollution reduction activities. Ecology will provide grants to local governments for the construction of wastewater treatment and stormwater control facilities, and the elimination of failing on-site sewage systems. (\$38.5 million Local Toxics Control Account, \$21.5 million State Toxics Control Account. **Puget Sound portion:** \$24.0 million Local Toxics Control Account, \$12.0 million State Toxics Control Account)

Water Pollution Control Revolving Program

Congress established this program to finance state-operated water quality facilities and activities. Ecology will provide \$181 million in low-interest loans to public entities to acquire, design and construct water pollution control facilities and related activities. (\$131.0 million Water Pollution Control Revolving Account-State, \$50.0 million Water Pollution Control Revolving Account-Federal. **Puget Sound portion:** \$78.6 million Water Pollution Control Revolving Account-State, \$30.0 million Water Pollution Control Revolving Account-Federal)

Stormwater training

Pollutants in stormwater discharges affect drinking water, degrade salmon habitat, threaten the shellfish industry and pollute water bodies. To address this issue, Ecology updated municipal stormwater permits to require stormwater-reducing low-impact development (LID) practices, where feasible, for new development and redeveloped properties. Building upon work initiated in the current biennium, the department will train government officials, developers, landscape professionals and others with a role in implementing LID techniques. (\$2.0 million State Toxics Control Account-State. **Puget Sound portion:** \$1.3 million)

SUPPORT FORESTS AND FISH

Family Forest Fish Passage Program

The Forests & Fish rules enacted in 2001 require fish passage barriers to be corrected on all forest lands. Recognizing the disproportionate financial impacts on family forest landowners, the Legislature created the Family Forest Fish Passage Program. The Department of Natural Resources will provide financial assistance to family forest landowners to eliminate fish passage barriers on their forest roads. (\$2.0 million bonds. **Puget Sound portion:** \$620,000)

Forest Legacy Program

Federal funding will help acquire conservation easements on privately owned forest land. (\$7.0 million General Fund-Federal. **Puget Sound portion:** \$3.0 million)

Forest Riparian Easement Program

The Department of Natural Resources will purchase 50-year conservation easements from small forest landowners along riparian areas to protect habitat while compensating landowners for the value of trees they can no longer harvest. (\$3.0 million bonds. **Puget Sound portion:** \$540,000)



RESTORE AND PROTECT SALMON HABITAT

Puget Sound Salmon habitat acquisition and restoration

The Recreation and Conservation Funding Board will provide grants for high-priority projects in Puget Sound that protect and restore salmon habitat and for other salmon recovery programs and activities to implement salmon recovery plans. (\$80.0 million bonds)

Puget Sound Estuary and Salmon Restoration Program

The Recreation and Conservation Funding Board will provide grants to complete projects that protect and restore the Puget Sound near-shore areas, in support of Puget Sound Action Agenda goals. (\$10.0 million bonds)

Salmon Recovery Funding Board programs

The Recreation and Conservation Funding Board will provide grants for projects that protect or restore salmon habitat and for other salmon recovery activities. (\$15.0 million bonds, \$60.0 million General Fund-Federal. **Puget Sound portion:** \$6.6 million bonds, \$27.0 million General Fund-Federal)

Puget Sound steelhead

Listed as threatened under the federal Endangered Species Act, Puget Sound steelhead are on a precipitous decline toward extinction. One-time funding is provided to the Puget Sound Partnership to coordinate a study by the state Department of Fish and Wildlife of juvenile steelhead survival to improve our understanding of this critical life stage. The Partnership will also provide grants to local watershed-based organizations to develop geographically specific freshwater-recovery chapters for inclusion in the Puget Sound steelhead recovery plan. (\$2.1 million Aquatic Lands Enhancement Account-State)

Enhance aquatic lands

The Recreation and Conservation Funding Board will provide grants for acquisition or enhancement projects within or adjacent to state-owned aquatic lands to restore habitat and provide waterfront access to the public. (\$6.0 million Aquatic Lands Enhancement Account. **Puget Sound portion:** \$4.5 million)

Levee vegetation pilot projects

Protecting and restoring flood plains is one of the most effective methods to reduce flood risks while enhancing salmon habitat in the Puget Sound region. Two watershed-based demonstration projects will be undertaken to resolve conflicting demands and federal policies that affect flood plains. The Partnership will pass funds through to local governments to undertake a risk assessment of their levees and flood control facilities and then develop a prioritized project list for submittal to the U.S. Army Corps of Engineers. (\$635,000 Aquatic Lands Enhancement Account-State)

PROTECT SHELLFISH

Ocean acidification

Ocean acidification is the steady increase in the acidity of the ocean, caused by the absorption of upwelling carbon dioxide emissions. Rising acidity makes it more difficult for shellfish to reproduce. Funding is provided to the Department of Ecology, the Department of Natural Resources and the University of Washington to implement the priority recommendations of the Governor's blue-ribbon Ocean Acidification Panel to monitor and reduce impacts on the state's shellfish industry and native shellfish. (\$3.3 million total: \$2.0 million State Toxics Control Account, \$820,000 Aquatic Lands Enhancement Account, \$510,000 Resource Management Account)

Shellfish grants

The State Conservation Commission will provide grants to landowners and farmers to improve water quality in shellfish-growing areas. (\$5.0 million bonds, \$1.0 million State Toxics Control Account)

ENHANCE RECREATION AND NATURAL AREAS

Washington Wildlife and Recreation grants

The Recreation and Conservation Funding Board will provide grants through the Washington Wildlife and Recreation Program to acquire, restore and/or develop parks, water access sites, trails, wildlife habitat and riparian areas and preserve farmland. (\$65.5 million bonds. **Puget Sound portion:** \$14.9 million)