

Operating 12/16/2021 \$ in thousands - Biennialized FTEs 2021-23 Enacted Base Budget ²		Governor Inslee's Budget Proposal 12/16/2021				
		FTE	GF-State	MTCA ¹	Other	Total
		1,856.7	88,581	289,201	288,886	666,668
Maintenance Level Changes						
1	NWRO Furniture COP Reduction		(39)	(192)	(97)	(328)
2	Clean Air Rule Reduction	(20.1)		(4,518)		(4,518)
3	Equipment Cache Grant ³			(64)		(64)
4	Updated PEBB Rate		89	360	331	780
5	Other ML Changes ⁴		30	108	85	223
Policy Level Changes						
Reduce and Prepare for Climate Impacts						
6	Implement Climate Commitment Act ⁵	7.2	856		1,450	2,306
7	GHG Assessment for Projects ⁵	1.1	538			538
8	Clean Energy Permit Assistance ⁵	1.2	350			350
9	CCA - Air Quality Monitoring ⁵	4.6	1,378		549	1,927
10	Tribal Capacity CCA Implementation ⁵	1.3	4,232			4,232
Prevent and Reduce Toxic Threats and Pollution						
11	Affordable Housing Cleanup Program	1.2		330		330
12	Laboratory Accreditation Auditors	1.8		513		513
13	Illegal Drug Ops Hazardous Waste	4.4		1,583		1,583
14	Land Use and Groundwater	1.3	407			407
15	UST/LUST Inspection/Cleanup Backlog	4.1		1,642	115	1,757
16	Prioritize and Complete Cleanups	3.5		916		916
17	Reduce Food Waste & Prevent Litter ⁵				1,800	1,800
18	Pollution Prevention Assistance	1.2		684		684
19	Legacy Pesticide Pollution	1.2		290		290
20	Hazardous Waste & Toxics IT Systems	0.6		204		204
21	Support Brownfields Cleanup			500		500
22	Abandoned Mine Lands	1.2		352		352
23	Hanford Dangerous Waste Inspections	0.6			145	145
24	Address Toxic Tire Wear Chemical ⁶			1,322		1,322
Protect and Manage Our State's Waters						
25	Water Banking Pilot Budget Shift ⁷		(9,000)			(9,000)
26	Protect State Waters from Toxics ⁶	2.9		714		714
27	Improved Stream Mapping ⁶	2.3	901			901
28	Certifying Financial Responsibility	0.9		201	86	287
29	Oil Spill Contingency Planning	1.2		233	100	333
30	Fix & Modernize WQ Permit Systems				500	500
31	Spill Response Vehicles & Equipment			662		662
32	Shoreline Aerial Photography ⁶		200			200
33	Riparian Standards ⁶	0.6	162			162
34	Improve Shoreline Management ⁶	3.5	896			896

		FTE	GF-State	MTCA ¹	Other	Total
		1,856.7	88,581	289,201	288,886	666,668
Protect and Manage Our State's Waters (cont.)						
35	Centennial Clean Water Increase ⁶	1.2	264			264
36	Channel Mitigation Zone Mapping ⁶		164			164
37	Green Infrastructure Projects ⁶	1.8	500			500
38	Water Code Advisory Group ⁶	1.2	709			709
39	Toxic Tire Wear in Stormwater ⁶	4.1		1,382		1,382
40	Increase Local Stormwater Capacity ⁶			4,000		4,000
41	Reclaimed Water Usage ⁶	0.6	234			234
42	Hydropower Compliance Assistance ⁶	2.0	557			557
43	Clean Water Project IJA Investment	2.3			692	692
Protect and Restore Puget Sound						
44	Reduce Nutrients in Puget Sound ⁶	1.8	550		439	989
Other						
45	WCC Community Support		738			738
46	MTCA Shift Reversal ⁸		4,296	(4,296)		-
47	State Employee Benefits		1	3	3	7
48	WFSE General Government ⁹		741	2,936	2,715	6,392
49	Represented Employee Health Benefits		4	16	14	34
50	Non-Rep General Wage Increase ¹⁰		118	505	439	1,062
51	PERS & TRS Plan 1 Benefit Increase		18	75	66	159
52	Other PL Changes ⁴		423	1,626	968	3,017
Total Changes		41.8	10,317	12,087	10,400	32,804
Total Proposed Operating Budget		1,898.5	98,898	301,288	299,286	699,472

¹ Model Toxics Control Operating Account (23P-1, 23P-7).

² Includes Maintenance Level (ML) item G09X - WFSE General Government from the Governor's 2022 supplemental operating budget. This funding was already included in the 2021-23 enacted operating budget, but not spread at that time to agency-specific budgets. Ecology has reflected this funding as part of our base budget since the 2021-23 operating budget was enacted.

³ Funding was provided in the 2021-23 operating budget to support fulfillment of a 2019-21 equipment cache grant with the Jamestown S'Klallam Tribe for an emergency response vehicle. Funding was reduced in the Governor's 2022 supplemental operating budget proposal based on grant expenditures that occurred before the close of the 2019-21 biennium. The amount reflected in the Governor's supplemental budget proposal reflects the funding needed in 2021-23 to fund the remainder of the grant.

⁴ Reflects four statewide maintenance level and six policy level items, including adjustments for legal services, audit services, archives/records management, and central services (OFM, DES, CTS).

⁵ Included as part of Governor Inslee's Climate Change and Clean Energy Agenda. Details on these and other related policy and budget adds included in the package can be found at: https://ofm.wa.gov/sites/default/files/public/budget/statebudget/highlights/budget22/08_Climate2022.pdf

⁶ Included as part of Governor Inslee's Salmon Recovery and Protection Agenda. Details on these and other related policy and budget adds included in the package can be found at: https://ofm.wa.gov/sites/default/files/public/budget/statebudget/highlights/budget22/09_Salmon2022.pdf

⁷ Budget shift of grant program funding, originally appropriated in the 2021-23 operating budget, to the capital budget. General Fund-State revenue is transferred to the Drought Preparedness and Response Account then appropriated in sec. 3011 of the Governor's 2022 supplemental capital budget proposal.

⁸ Shifts funding for eight Ecology activities from the Model Toxics Control (MTCA) Operating Account to General Fund-State on an ongoing basis. Funding for these activities was originally shifted from General Fund-State to MTCA Operating in the 2021-23 operating budget, due to general fund revenue forecast declines related to the COVID-19 pandemic.

⁹ The revised collective bargaining agreements for 2021-23 include a general wage increase of 3.25 percent, effective July 1, 2022, and a graduated lump sum payment, based on annual income, for lower-wage employees who were employed continuously starting on or before July 1, 2021 through June 30, 2022.

¹⁰ Reflects a general wage increase of 3.25 percent, effective July 1, 2022, for non-represented state employees.

Protecting the Environment | Ensuring Public Health | Supporting Economic Growth & Jobs

As the state's lead environmental agency, Ecology's mission is to protect, preserve, and enhance the environment for current and future generations, while valuing and supporting Washington's economic success. We're tackling challenges that are unique to our times and require us to take a broad and holistic approach to our work that focuses on not only *what* we do, but also *how* we do it.

Ecology's strategic goals are to:

- Support and engage our communities, customers, and employees.
- Reduce and prepare for climate change impacts.
- Prevent and reduce toxic threats and pollution.
- Protect and manage our state's waters.
- Protect and restore Puget Sound.

Our agency's deep commitment to environmental justice is tied to each of our strategic goals and guides the ways in which we work to accomplish those goals.

Governor Inslee's 2022 supplemental operating budget proposal for Ecology totals \$32.8 million above our enacted budget level for the 2021-23 biennium. It includes significant new investments that will:

- Effectively implement enacted legislation, budget provisos, and directives from the 2020 and 2021 legislative sessions aimed at reducing carbon pollution to achieve greenhouse gas limits, ensuring companies have sufficient financial resources to cover the costs of oil spills to Washington waters, and developing water banks to preserve the state's agricultural water supply and protect environmental interests.
- Support Tribal consultation for Climate Commitment Act-related investments, provide clean energy project siting permit assistance, and expand air quality monitoring in overburdened communities.
- Protect and restore salmon, steelhead, and trout populations across the state by supporting recommendations from the State/Tribal Riparian Protection & Restoration Workgroup and the Governor's updated salmon recovery strategy.
- Support our communities by providing expanded pollution prevention assistance and Washington Conservation Corps services to help meet the state's environmental justice goals; reduce contaminants in drinking water; and redevelop contaminated sites for reuse as affordable housing, commercial property, or recreational facilities.
- Improve water quality by implementing nutrient controls in Puget Sound and addressing toxic chemicals in stormwater runoff from industrial and contaminated sites.
- Address the backlog of contaminated sites that need to be cleaned up across the state, including former orchard lands and abandoned mine sites.
- Meet federal and state inspection/audit requirements for underground storage tanks, drinking water laboratories, and Hanford dangerous waste facilities.

- Fund key information technology enhancements needed to improve collection and reporting of data on water quality permits, generated hazardous waste, and toxic chemicals in consumer products.
- Ensure we have the resources needed to safely and effectively respond to spills of oil or other hazardous materials across the state.

Responding to Climate Change and Building Washington's Clean Energy Future

While Washington is a leader in the nation in reducing climate pollution and implementing climate mitigation policies, current laws fall short of reaching the state's legal commitment to reduce climate pollution 45 percent below 1990 levels by 2030. Achieving the state's 95 percent reduction requirement by 2050 is an even more serious task. Governor Inslee's 2022 legislative and budget climate package delivers action that builds on Washington's role as a leader in clean energy and economic growth. This suite of policies will expand access to clean buildings, create clean energy jobs statewide, and ensure equitable solutions for overburdened communities that disproportionately experience environmental harms.

Governor Inslee's 2022 supplemental budget proposals invest \$626.5 million in a climate strategy to:

- Decarbonize the building sector.
- Successfully implement the Climate Commitment Act (CCA).
- Invest more in clean transportation.
- Build the clean energy future here in Washington.

To support this strategy, the Governor's 2022 supplemental operating budget proposal for Ecology totals \$10.4 million, and provides funding and staff to fully begin implementation of the CCA this biennium, provide pass-through funding to support Tribal consultation on CCA investments, and expand air quality monitoring in overburdened communities. Funding and staff are also provided for Ecology to complete rulemaking for assessing greenhouse gas emissions from fossil fuel industrial projects and establish a permit assistance unit to facilitate the timely and efficient processing of permits for low-carbon energy facilities and projects.

More details on the Governor's entire climate policy package can be found at:

https://ofm.wa.gov/sites/default/files/public/budget/statebudget/highlights/budget22/08_Climate2022.pdf

Protect and Restore Washington's Salmon Populations

In Washington, and across the Pacific Northwest, salmon populations are struggling. Climate change, habitat loss, pollution, and other factors are hampering salmon recovery efforts. Governor Inslee is proposing an updated strategy and additional investments to protect and restore salmon, steelhead, and trout populations across the state.

The Governor's updated salmon strategy calls for several actions:

- Protect and restore vital salmon habitat.
- Invest in clean water infrastructure for salmon and people.
- Correct fish passage barriers and restore salmon access to historical habitat.

- Build climate resiliency.
- Align harvest, hatcheries, and hydropower with salmon recovery.
- Address predation and food web issues for salmon.
- Enhance commitments and coordination across agencies and programs.
- Strengthen science, monitoring, and accountability.

Given the condition of our salmon, these actions will be urgently pursued starting in the coming legislative session and over the next few years. Using these actions as a template, the Governor proposes a strong, initial suite of budget and policy changes to help restore salmon populations across the state. Working aggressively on salmon recovery will help ensure a future with clean and abundant water, thriving habitat and ecosystems, resilience to climate change, a growing orca population, honored Tribal treaty rights, commercially and recreationally harvestable fisheries, a diverse and robust economy, engaged communities, and strong cultural traditions. Total operating and capital budget investments in new salmon recovery actions is \$187 million, including \$24 million in Ecology funding.

More details on the Governor's entire salmon recovery policy package can be found at: https://ofm.wa.gov/sites/default/files/public/budget/statebudget/highlights/budget22/09_Salmon2022.pdf.

The following summarizes each budget item for Ecology. The numbers for each item correspond with the numbers in the spreadsheet at the beginning of this section. Funding duration detail included in the descriptions below aligns with WinSum outlook backup provided by the Office of Financial Management for the Governor's 2022 supplemental operating budget proposal.

Maintenance Level

- 1. NWRO Furniture COP Reduction. (\$328,000).** Ecology received appropriation authority in the 2021-23 operating budget to fund a Certificate of Participation (COP) to finance the costs of furniture needed for the relocation of the agency's Northwest Regional Office. The agency was able to pay for the furniture in full at the end of the 2019-21 biennium. The associated appropriation for the COP funding that is no longer needed is removed. (Multiple Funds)
- 2. Clean Air Rule Reduction. (\$4,518,000), (20.1 FTEs).** The Climate Commitment Act (2ESSB 5126) preempts the provisions of Chapter 173-442 WAC – Clean Air Rule and directs that no state agency may adopt or enforce a program that regulates greenhouse gas emissions for a stationary source except as provided under the Act. This item removes the appropriation and FTE authority given for implementation of the Clean Air Rule, which is no longer needed. (Model Toxics Control Operating Account)
- 3. Equipment Cache Grant. (\$64,000).** Funding is reduced to match an updated award amount for an equipment cache grant for the Jamestown S'Klallam Tribe for a new hazardous substance spill response vessel that was unable to be purchased in the 2019-21 Biennium. (Model Toxics Control Operating Account)
- 4. Updated PEBB Rate. \$780,000.** This adjusts the employer funding rate for public employee insurance benefits to reflect updated plan experience. It increases the rate by \$37 per month in the second fiscal year. (Multiple Funds)

- 5. Other ML Changes. \$223,000.** Reflects four statewide maintenance level items, including adjustments for legal services, audit services, archives/records management, and central services (OFM, CTS). (Multiple Funds)

Policy Level Changes

Reduce and Prepare for Climate Impacts

- 6. Implement Climate Commitment Act. \$2,306,000, 7.2 FTEs.** The 2021 Climate Commitment Act (E2SSB 5126) establishes a comprehensive program to reduce carbon pollution and achieve greenhouse gas limits. It directs Ecology to develop rules to implement a cap on carbon emissions. Considerable changes to the bill late in the 2021 legislative session led Ecology to be underfunded in fully implementing the new law. This item provides a combination of one-time and ongoing funding necessary to ensure full implementation in the 2021-23 biennium. (General Fund-State, Climate Investment Account)
- 7. GHG Assessment for Projects. \$538,000, 1.1 FTEs.** Funding is provided for Ecology to complete rulemaking for assessing greenhouse gas emissions from fossil fuel and industrial projects. Complications resulting from the COVID-19 pandemic delayed the rulemaking process, which was intended to be finalized by September 2021. Ongoing funding will support rule implementation and provide technical assistance to SEPA-lead agencies and projects that will be subject to the new rule. (General Fund-State)
- 8. Clean Energy Permit Assistance. \$350,000, 1.2 FTEs.** The permit process for clean energy projects is very complex, involving local, state, and federal requirements, engagements with interested parties, and analysis and documentation. Ongoing funding for new staff to enhance clean energy siting and provide technical assistance will help guide applicants through the permit process. Permit assistance will support clean energy projects, contribute to low-carbon economic development, and support good in-state jobs. (General Fund-State)
- 9. CCA – Air Quality Monitoring. \$1,927,000, 4.6 FTEs.** The Climate Commitment Act (CCA) requires expansion of air pollution monitoring in overburdened communities that have disproportionately carried the impacts of climate pollution and other air pollutants. A combination of one-time and ongoing funding provides an additional investment in air pollution monitoring to measure and improve air quality in these communities. (Climate Investment Account, General Fund-State)
- 10. Tribal Capacity CCA Implementation. \$4,232,000, 1.3 FTEs.** A combination of one-time and ongoing funding is provided for grants to Tribal governments to support their review and consultation regarding projects and programs funded by the Climate Commitment Act. (Climate Investment Account, General Fund-State)

Prevent and Reduce Toxic Threats and Pollution

- 11. Affordable Housing Cleanup Program. \$330,000, 1.2 FTEs.** Washington is in dire need of affordable housing across the state. Whether in an urban or rural setting, contamination or suspicion of contamination drives up the costs of housing development. Ecology issues grants through the capital budget to support investigation, redevelopment planning, and clean up of properties for construction of affordable housing. This item funds the ongoing development and

management of this grant program to provide permanent technical assistance and formal oversight to facilitate cleanups related to affordable housing. (Model Toxics Control Operating Account)

- 12. Laboratory Accreditation Auditors. \$513,000, 1.8 FTEs.** Audits of drinking water laboratories accredited by Ecology are required every three years to meet the federal Safe Drinking Water Act standards, which are critical to ensuring municipal drinking water is safe for consumption. A 2021 audit by the Environmental Protection Agency (EPA) found a number of laboratories have not been audited in accordance with this requirement. Increased funding for two years will allow staff to conduct the needed audits to bring all of Washington's drinking water laboratories up to date on accreditation. (Model Toxics Control Operating Account)
- 13. Illegal Drug Ops Hazardous Waste. \$1,583,000, 4.4 FTEs.** Ecology supports law enforcement agencies by managing dangerous waste found at illegal drug operations. The number of these responses has increased significantly over the last five years and, as a result, so too has the amount of dangerous waste temporarily stored at Ecology facilities. Increased funding will allow the agency to continue to support law enforcement agencies with collection of dangerous waste from these sites and meet the requirements for safe storage and disposal of this hazardous material. (Model Toxics Control Operating Account)
- 14. Land Use and Groundwater. \$407,000, 1.3 FTEs.** Groundwater in the lower Yakima Valley aquifer, the principal drinking water source for over 56,000 residents, is contaminated with elevated concentrations of nitrate. A plan for reducing groundwater nitrate contamination in the area was finalized in 2019. Ongoing funding and staff resources are provided to support implementation of several recommendations from that plan. This includes analyzing soil samples, developing and implementing projects to determine effective land-use best management practices, and providing outreach and education to area residents regarding changes needed to reduce nitrate contamination. (General Fund--State)
- 15. UST/LUST Inspection/Cleanup Backlog. \$1,757,000, 4.1 FTEs.** Ecology regulates almost 9,000 underground tanks that store over three billion gallons of fuel each year. Without proper operation and maintenance, leaks can contaminate soil and groundwater and may remain in the environment for decades if not cleaned up. A 2019 audit found that that Ecology is at risk of not meeting EPA-required inspection timelines for these underground tanks, putting community and environmental health at risk. This ongoing funding supports an additional inspector position to address the audit finding and cleanup project managers needed to oversee the cleanup of more than 2,600 known contaminated leaking underground storage tank sites throughout Washington. (Model Toxics Control Operating Account, Underground Storage Tank Account)
- 16. Prioritize and Complete Cleanups. \$916,000, 3.5 FTEs.** Several hundred new contaminated sites are reported to Ecology each year, exceeding the number of sites the agency can clean up and increasing the backlog of cleanups that need to occur. The extent of the toxic threats to human health and the environment at most of the state's contaminated sites has not been assessed. Ongoing funding supports implementation of a new site hazard assessment and ranking process designed to assess and rank the potential hazards at a reported location more quickly and accurately. Funding will also support additional engineering and contracting staff needed to expedite the agency's state-directed cleanup projects. (Model Toxics Control Operating Account)

- 17. Reduce Food Waste & Prevent Litter. \$1,800,000.** Food waste and litter are two of the challenges facing communities throughout the state. In 2019, the Legislature passed the Food Waste Reduction Act, which established a statewide food waste reduction goal and required the development of a food waste reduction plan to reach those targets. Ongoing funding is provided for Ecology to implement an initial recommendation from this plan to develop a series of food waste reduction campaigns. Funding also will be used to support the expansion of litter prevention campaigns. (Waste Reduction/Recycle/Litter Control Account)
- 18. Pollution Prevention Assistance. \$684,000, 1.2 FTEs.** Ecology provides funding to local governments to provide hands-on technical and regulatory assistance to small businesses. Specialists help businesses to manage their waste properly, remove toxic chemicals from their facilities and work processes, and keep stormwater free from pollution. Most of this technical and financial assistance occurs in western Washington. Ongoing funding is provided to offer this assistance to three new health districts in eastern Washington and provide the staffing needed to continue effectively managing the program as it expands. (Model Toxics Control Operating Account)
- 19. Legacy Pesticide Pollution. \$290,000, 1.2 FTEs.** Widespread lead and arsenic contamination from pesticide use on historic orchard lands impacts nearly 115,000 acres in central Washington. Communities in this area are facing challenges as contaminated orchard lands are transitioned to new uses like housing developments, schools, and other business ventures. Ongoing funding is provided for Ecology to develop an area cleanup strategy, model cleanup remedies, and soil banks. A local education campaign to increase public awareness and understanding of pesticide contamination and how to reduce the risk of exposure will also be undertaken. (Model Toxics Control Operating Account)
- 20. Hazardous Waste & Toxics IT Systems. \$204,000, 0.6 FTE.** Two of Ecology's information technology (IT) systems, used to collect information on hazardous waste generation and toxics in consumer products, are in need of enhancements to meet increased complexities of federal reporting regulations and to ensure compliance with new state laws. Ecology staff are already over extended in managing the systems' current functionality, which prevents implementation of needed system improvements and the program from offering technical assistance to reporting businesses. Ongoing funding for additional IT staff and contract resources is provided to enhance and maintain these two critical reporting systems. (Model Toxics Control Operating Account)
- 21. Support Brownfields Cleanup. \$500,000.** Thousands of properties in Washington, many of which are in underserved, rural, and/or disadvantaged communities, are confirmed or suspected to be contaminated with hazardous substances and are awaiting investigation and cleanup. To facilitate cleanup and encourage reuse of properties in these communities, ongoing funding is provided for Ecology to offer assessment or limited cleanup of selected properties with high redevelopment potential. (Model Toxics Control Operating Account)
- 22. Abandoned Mine Lands. \$352,000, 1.2 FTEs.** Washington has a legacy of mining activity that has led to hundreds of abandoned mines across the state, most of which are in remote areas, are contaminated with heavy metals, and pollute nearby surface water. To make real progress in cleaning up these sites, ongoing funding for staff resources is provided to develop and implement strategies to reduce this backlog of contaminated sites. (Model Toxics Control Operating Account)

- 23. Hanford Dangerous Waste Inspections. \$145,000, 0.6 FTE.** The U.S. Department of Energy will activate six new mixed-waste facilities at Hanford in 2022, including a new waste treatment plant designed to treat 56 million gallons of mixed radioactive/hazardous waste. Ecology is required to complete annual inspections of mixed-waste facilities located at Hanford, which help identify and correct any issues that otherwise could lead to a leak or spill of hazardous chemicals or radiation. Ongoing funding is provided for additional staff to complete the required inspections for these new facilities. (Radioactive Mixed Waste Account, Water Quality Permit Account,)
- 24. Address Toxic Tire Wear Chemicals. \$1,322,000.** Recently, a class of chemicals from tire wear has been identified as being particularly toxic to Coho salmon. Ongoing funding will allow Ecology to conduct a safer alternatives assessment of the 6PPD chemical compounds used in tires and evaluate the toxicity of potential alternative materials on Coho and other species. Funding for staffing and contractual support will provide materials, science expertise, and collection of industry data necessary to evaluate the feasibility of alternatives. (Model Toxics Control Operating Account)

Protect and Manage Our State's Waters

- 25. Water Banking Pilot Budget Shift. (\$9,000,000).** In 2021, the Legislature appropriated funding in both the operating and capital budgets for Ecology to administer the pilot grant program for water banking. Having grant funding in both budgets creates challenges in being able to effectively use the funding to meet local water needs. Funding is shifted to the capital budget to ensure Ecology can effectively administer the funding for this pilot grant program. (General Fund-State)
- 26. Protect State Waters from Toxics. \$714,000, 2.9 FTEs.** Toxic pollutants discharged from contaminated sites during construction or industrial land use threaten our ability to protect human health and keep Washington waters clean for salmon and other uses. Ongoing funding will provide the support needed to address toxics in stormwater runoff from industrial and contaminated sites and get properties back into use sooner for affordable housing, economic redevelopment, public access, and overall economic vitality. (Model Toxics Control Operating Account)
- 27. Improved Stream Mapping. \$901,000, 2.3 FTEs.** Growing and protecting trees in riparian areas along the state's rivers and streams safeguards water quality, supports healthy habitat for fish and wildlife, and builds resilience for our communities. Current stream-mapping inaccuracies prohibit a statewide riparian assessment and monitoring program. To better monitor the health of our riparian buffers, funding is provided for two years to identify the technologies, methodologies, datasets, and resources needed to refine and maintain the accuracy of the National Hydrography Dataset for Washington. (General Fund-State)
- 28. Certifying Financial Responsibility. \$287,000, 0.9 FTE.** The transportation, storage, and handling of oil and other hazardous substances across Washington presents risk of a significant and costly spill, putting people and the environment at risk. Funding is provided for Ecology to conduct rulemaking to implement existing statutory requirements on certain oil handling vessels and facilities to demonstrate a defined level of financial responsibility to pay the costs of a potential spill. (Model Toxics Control Operating Account, Oil Spill Prevention Account)

- 29. Oil Spill Contingency Planning. \$333,000, 1.2 FTEs.** The U.S. Coast Guard announced on October 27, 2020, that it will no longer recognize the Northwest Area Contingency Plan as the master spill contingency plan for emergency response, which has served as the region's contingency plan for over 20 years. Ongoing funding is provided for Ecology to develop new state emergency response plans for the Puget Sound and Columbia River areas and integrate them with the plans now being used by our federal partners. Doing so will prevent costly delays in coordination in the event of an emergency, such as a significant oil spill. (Model Toxics Control Operating Account, Oil Spill Prevention Account)
- 30. Fix & Modernize WQ Permit Systems. \$500,000.** Ecology's information technology systems that support water quality permit coverage and monitoring reports are outdated and inefficient. Currently, compliance data is not properly submitted to the Environmental Protection Agency, making permitted facilities appear out of compliance at an alarming rate. Funding is provided for two years to make critical improvements to the usability and reporting accuracy of these permitting systems. (Water Quality Permit Account)
- 31. Spill Response Vehicles & Equipment. \$662,000.** Ecology responds to statewide oil and other hazardous substance spills on a year-round, 24-hour-a-day basis and requires specialized vehicles and equipment to safely and successfully do this work. A combination of one-time and ongoing funding will allow for timely replacement and acquisition of the unique safety equipment and response vehicles necessary to ensure Ecology spill responders are outfitted to respond to and contain dangerous spills of hazardous materials quickly, safely, and effectively. (Model Toxics Control Operating Account)
- 32. Shoreline Aerial Photography. \$200,000.** Ecology's database of shoreline aerial photos is an important tool used by resource managers for managing thousands of miles of marine and freshwater shorelines throughout the state. It provides important data for ongoing implementation, evaluation, and improvement of local shoreline master programs, allowing for a better understanding of development patterns, locations of critical habitats, and ecosystem changes over time. It has not been updated since 2016. One-time funding supports the collection of 15,000-20,000 new aerial photographs of Washington's 3,300 miles of marine shorelines and approximately 1,000 miles of large river and lake shorelines throughout the state. (General Fund-State)
- 33. Riparian Standards. \$162,000, 0.6 FTE.** The Governor is proposing legislation to set a riparian zone standard that will advance riparian protection and restoration needs for salmon recovery. Ongoing funding is provided for Ecology to support the Washington Department of Fish and Wildlife in developing the riparian standard and compliance practices through rulemaking. Ecology will be tasked with enforcement of the riparian standard when it goes into effect. (General Fund-State)
- 34. Improved Shoreline Management. \$896,000, 3.5 FTEs.** Enforcement of permits issued under the Shoreline Management Act ensures protection of fragile and unique shoreline environments, preserves public use and enjoyment of shorelines, and ensures proper implementation of shoreline land use decisions. Many local governments lack capacity for consistent follow through on compliance with shoreline management permits. Ongoing funding will provide technical support to local jurisdictions and enforcement capacity to incorporate salmon recovery into the Growth Management Act and Shoreline Master Program regulations. (General Fund-State)

- 35. Centennial Clean Water Increase. \$264,000, 1.2 FTE.** The enhancement of riparian zones along the state's rivers and streams is needed to improve water quality and salmon habitat in priority-impaired watersheds. Ecology will identify and implement new tools and incentives to encourage landowners to engage and participate in riparian protection. Ongoing funding is provided for Ecology to administer grants funded in the 2022 supplemental capital budget for specific best management practices that are eligible under the Centennial Clean Water program. (General Fund-State)
- 36. Channel Migration Zone Mapping. \$164,000.** Channel migration zone (CMZ) maps, which depict the areas in a floodplain where a stream or river channel can be expected to move naturally over time, are not available for all watersheds. Accurate and available CMZ maps are needed to monitor the successful protection of riparian zones across the state. One-time funding is provided to identify standardized mapping methodology and to offer support for Tribes, counties, and local jurisdictions to refine existing CMZ maps with local information. (General Fund-State)
- 37. Green Infrastructure Projects. \$500,000, 1.8 FTEs.** Ongoing funding will support design and management of green infrastructure projects funded in the 2022 supplemental capital budget. These projects will capture and store excess water during times with high stream flows, then release the stored water during periods of critical low flows, with the goal of improving base stream flow and temperature conditions in rivers and streams draining to Puget Sound. This program will also boost stream flows for critical periods, improve water quality, support salmonid recovery, and provide other environmental benefits. (General Fund-State)
- 38. Water Code Advisory Group. \$709,000, 1.2 FTEs.** Washington's water laws have not been adapted to the increasing demands for water in the context of climate change and population growth. Various water code impediments prevent effective water and water right management necessary to balance the needs for fish, farms, and people. Funding is provided for two years for Ecology to convene an advisory group to develop recommendations for how to modernize state water law to include salmon needs for adequate stream flows and cool water. (General Fund-State)
- 39. Toxic Tire Wear in Stormwater. \$1,382,000, 4.1 FTEs.** Untreated stormwater containing high concentrations of 6PPD chemical compounds from tire wear pose a significant risk to the health of Coho salmon. Ongoing funding is provided to study the ability of stormwater systems to filter out this toxic tire dust and develop best management practices to treat contaminated stormwater. (Model Toxics Control Operating Account)
- 40. Increase Local Stormwater Capacity. \$4,000,000.** An ongoing increase in local stormwater capacity grants helps to fill gaps in local stormwater management with an emphasis on meeting new permit requirements to address toxic pollutants in stormwater. Successful management of stormwater helps protect marine ecosystems that support healthy salmon and orca populations. (Model Toxics Control Operating Account)
- 41. Reclaimed Water Usage. \$234,000, 0.6 FTE.** Reclaimed water is a reliable and drought-resistant source of water with beneficial uses like irrigation, groundwater recharge, and increases of surface water. As Washington counties and cities plan for population growth and build resiliency for climate impacts, reclaimed water can be a fundamental part of managing wastewater and creating safe and sustainable water supplies. A combination of one-time and ongoing funding is provided for Ecology to develop implementation guidance and increase state

support to local jurisdictions to encourage reclaimed water use in areas with deficient water flows and temperatures for salmon. (General Fund-State)

42. Hydropower Compliance Assistance. \$557,000, 2.0 FTEs. Ongoing funding is provided to participate in the review of non-federal hydropower dam license renewals and new hydropower license applications to address fish passage requirements and identify mitigation solutions. (General Fund-State)

43. Clean Water Project IJA Investment. \$692,000, 2.3 FTEs. Additional federal support for Ecology's Clean Water State Revolving Fund is anticipated from the Infrastructure Investments and Jobs Act (IIJA) recently passed by Congress. Ongoing funding for additional staff is provided to manage the influx of new federal funding, which provides low-interest loans for wastewater treatment construction projects, eligible non-point source pollution control projects, and other eligible "green" projects. (Water Pollution Control Revolving Admin Account)

Protect and Restore Puget Sound

44. Reduce Nutrients in Puget Sound. \$989,000, 1.8 FTEs. The health of Puget Sound is significantly degraded by human sources of excess nutrients that cause low dissolved oxygen, disrupt the food chain, and imperil our orca and salmon populations. In fiscal year 2020, Ecology developed a nutrients general permit for Puget Sound wastewater treatment plants to reduce nutrient pollution in Puget Sound. A combination of one-time and ongoing funding is provided for contractual support and staff to administer the permit and provide technical assistance to permittees. (General Fund-State, Water Quality Permit Account)

Other

45. WCC Community Support. \$738,000. Washington Conservation Corps (WCC) collaborates with local organizations to complete environmental stewardship projects statewide. WCC's cost-share requires partners to fund 75 percent of crew costs, and the remaining 25 percent is funded with state appropriations and an AmeriCorps grant. This cost-share works well for most programs, but it presents barriers for organizations in under-resourced areas. To further the state's goals around environmental justice, funding is provided for a two-year period to provide five WCC crews for projects with no cost-share requirement in areas of the state where assistance is most needed. (General Fund-State)

46. MTCA Shift Reversal. \$4,296,000 GF-S / (\$4,296,000) MTCA Operating. Programmatic funding was shifted to the Model Toxics Control Operating Account (MTCA) from General Fund-State in the 2021-23 biennial budget. This item shifts the funding back on an ongoing basis to reflect reduced available revenue in the Model Toxics Control Operating Account. (General Fund-State, Model Toxics Control Operating Account)

47. State Employee Benefits. \$7,000. Health insurance funding is provided for state employees who are not covered by the healthcare coalition. The insurance funding rate is \$936 per employee per month for fiscal year 2022 and \$1,130 per employee per month for fiscal year 2023. (Multiple Funds)

48. WFSE General Government. \$6,392,000. The collective bargaining agreement includes a general wage increase of 3.25% for fiscal year 2023 and a lump sum payment for employees who

were employed continuously starting on or before July 1, 2021 through June 30, 2022. (Multiple Funds)

- 49. Represented Employee Health Benefits. \$34,000.** Health insurance funding is provided as part of the master agreements for employees who bargain for health benefits as part of a coalition of unions. The insurance funding rate is \$936 per employee per month for fiscal year 2022 and \$1,130 per employee per month for fiscal year 2023. (Multiple Funds)
- 50. Non-Rep General Wage Increase. \$1,062,000.** A general wage increase of 3.25 percent, effective July 1, 2022, is provided for state employees who are not represented by a union or who are covered by a bargaining agreement that is not subject to financial feasibility determination. (Multiple Funds)
- 51. PERS & TRS Plan 1 Benefit Increase. \$159,000.** For eligible Public Employees' and Teachers' Retirement Systems Plan 1 members, this item provides an increase of three percent, up to a maximum of \$110 per month. (Multiple Funds)
- 52. Other PL Changes. 3,017,000.** Reflects six policy level items, including adjustments for legal services, audit services, archives/records management, and central services (OFM, DES, CTS) (Multiple Funds).

Capital 12/16/2021 \$ in thousands		Governor Inslee's Budget Proposal 12/16/2021			
		SBCA	MTCA¹	Other	Total
Prevent and Reduce Toxic Threats and Pollution					
1	Cleanup Toxic Sites - Puget Sound - Eatonville Landfill		4,000		4,000
2	Pacific Wood Treating Site Cleanup			2,326	2,326
Protect and Manage Our State's Waters					
3	Water Banking Pilot Grant Program Budget Shift ²			9,000	9,000
4	Water Pollution Control Revolving Program - State ³			200,000	200,000
5	Water Pollution Control Revolving Program - Federal ⁴			33,000	33,000
6	Water Pollution Control Revolving Program - State Match ⁴			3,000	3,000
7	Community-Based Public-Private Stormwater Partnership ⁵		1,000		1,000
8	Green Infrastructure for Streamflow Resilience ⁵	5,000			5,000
9	Centennial Clean Water Fund for Riparian Protection ⁵	5,000			5,000
Facility Related					
10	Failing Main Electrical Service Panel	663			663
11	Lacey HQ Parking Garage Preservation Project Financing ⁶				-
Total Proposed Capital Budget		10,663	5,000	247,326	262,989

¹ Model Toxics Control Capital (23N-1) and Stormwater (23R-1) Accounts.

² Budget shift of grant program funding, originally appropriated in the 2021-23 operating budget, to the capital budget. General Fund-State revenue is transferred to the Drought Preparedness and Response Account then appropriated in sec. 3011 of the Governor's 2022 supplemental capital budget proposal.

³ Additional state appropriation authority from the Water Pollution Control Revolving Account so Ecology can reinvest early loan repayments received in fiscal year 2022 in ready-to-proceed projects, and continue essential work through the Clean Water State Revolving Fund Loan Program.

⁴ Additional federal appropriation authority from the Water Pollution Control Revolving Account, and associated state match, to cover additional federal Clean Water State Revolving Fund (CSWRF) funding from the passage of the federal Infrastructure Investment and Jobs Act (IIJA) in November 2021.

⁵ Included as part of Governor Inslee's Salmon Recovery and Protection Agenda. Details on these and other related policy and budget adds included in the package can be found at: https://dfm.wa.gov/sites/default/files/public/budget/statebudget/highlights/budget22/09_Salmon2022.pdf

⁶ Section 7002(7) of the Governor's 2022 supplemental capital budget proposal directs Ecology to enter into a financing contract for up to \$3,797,000, plus financing expenses and required reserves, pursuant to Chapter 39.94 RCW, for the Lacey headquarters parking garage preservation project. Appropriation authority to support the Certificate of Participation (COP) payments will be requested as part of Ecology's 2023-25 operating budget request.

Protecting the Environment | Ensuring Public Health | Supporting Economic Growth & Jobs

Governor Inslee's 2022 supplemental capital budget proposal totals \$263 million in new appropriations for environmental and public health work throughout the state and includes priority investments that:

- Promote local economic development through the cleanup of contaminated sites for redevelopment.
- Improve water quality.
- Deliver water for fish, farms, and people.
- Address local environmental and public health priorities.
- Protect and restore state owned facilities.
- Create jobs.

The following summarizes each budget item for Ecology. The numbers for each item correspond with the numbers in the spreadsheet at the beginning of this section.

New Capital Projects

Prevent and Reduce Toxic Threats and Pollution

1. **Clean Up Toxic Sites – Puget Sound – Eatonville Landfill. \$4,000,000.** Funding is provided for the cleanup of the former Eatonville Landfill. In implementing this project, the Town of Eatonville will coordinate the remediation of the landfill with the redevelopment project at Nisqually Mashel State Park, which is scheduled to begin construction starting in 2022. (Model Toxics Control Capital Account)
2. **Pacific Wood Treating Site Cleanup. \$2,326,000.** Funds final cleanup activities for the off-property portion of the Pacific Wood Treating site, including 15 residential properties and 36 rights-of-way. (Cleanup Settlement Account)

Protect and Manage Our State's Waters

3. **Water Banking Pilot Grant Program Budget Shift. \$9,000,000.** Funds the implementation of the water banking program that was included in section 302(33) of the 2021-23 operating budget, together with the water banking program funded in the 2021-23 capital budget. (Drought Preparedness and Response Account)
4. **Water Pollution Control Revolving Program – State. \$200,000,000.** Appropriation authority is provided so that Ecology can reinvest early loan repayments already received in fiscal year 2023 back in ready-to-proceed projects that help meet state and federal water pollution control requirements. (Water Pollution Control Revolving Account-State)
5. **Water Pollution Control Revolving Program – Federal. \$33,000,000.** Appropriation authority is increased to reflect the additional clean water investments from the Infrastructure Investment and Jobs Act. Funding is provided to plan, design, acquire, construct, and improve water pollution control facilities and related non-point source activities to meet state and federal water pollution control requirements. (Water Pollution Control Revolving Account-Federal)
6. **Water Pollution Control Revolving Program – State Match. 3,000,000.** Funding is provided to meet the state match requirement for the Clean Water State Revolving Fund's additional federal capitalization grant through the Infrastructure Investment and Jobs Act. (Water Pollution Control Revolving Account-State)
7. **Community-Based Public-Private Stormwater Partnership. \$1,000,000.** Stormwater runoff carries a multitude of pollutants from urban development and roads, impacts water quality, and harms aquatic life and salmon. Funding is provided for Ecology, in collaboration with partner agencies, to develop local capacity and private investments in advancing implementation of stormwater retrofits statewide, especially among historically underserved communities. (Model Toxics Control Stormwater Account)
8. **Green Infrastructure for Stream Flow Resilience. \$5,000,000.** Funding will support green infrastructure projects to boost stream flows during critical periods and improve stream resilience

due to climate change impacts. Projects will capture and store excess water during times with high stream flows, and release stored water during periods of critical low flows, with the goal of improving base stream flow and temperature conditions in rivers and streams draining to Puget Sound. (State Building Construction Account)

- 9. Centennial Clean Water Fund for Riparian Protection. \$5,000,000.** Funding is provided to establish and implement riparian buffers in priority watersheds and evaluate the effectiveness of these new tools and incentives in getting landowners engaged and participating in riparian protection. (State Building Construction Account)

Facility Related

- 10. Failing Main Electrical Service Panel. \$663,000.** Funding is provided to replace the failing main electrical panel at Ecology's Eastern Regional Office, bringing it into compliance with the current National Electrical Code. (State Building Construction Account)
- 11. Lacey HQ Parking Garage Preservation Project Financing. \$0.** Section 7002(7) of the Governor's 2022 supplemental capital budget proposal directs Ecology to enter into a financing contract for up to \$3,797,000, plus financing expenses and required reserves, pursuant to Chapter 39.94 RCW, for the Lacey headquarters parking garage preservation project. Appropriation authority to support the Certificate of Participation (COP) payments will be requested as part of Ecology's 2023-25 operating budget request.

To request an ADA accommodation, contact Ecology by phone at 360-407-6985 or email at valerie.pearson@ecy.wa.gov or visit <https://ecology.wa.gov/accessibility>. For Relay Service or TTY call 711 or 877-833-6341.