

Funding Option	Benefits	Drawbacks	Potential Stakeholders	Questions/Comments
Existing Funding Options				
<div><div><u>OPTION 1</u></div><div><u>Assessments / Rates Charges</u></div><div>FEASIBILITY – DEPENDS PROBABILITY – DEPENDS REVENUE - DEPENDS</div></div>	<ul style="list-style-type: none">• Local• Somewhat stable• Already authorized.• Increases ability to work throughout the district.• Flexible• Leveraging• Allows districts to think beyond the current year.	<ul style="list-style-type: none">• May be perceived as a Tax, it establishes a rate that sets a fee for services provided to a geographic region.• Based upon the political will of the county citizens.• Not an option in some districts• Won't generate enough revenue in some areas.• Ongoing marketing effort to defend and renew.• Could be challenged still.• Assumption if you get rates and charges – you won't need any other funding.• Municipalities' feelings of ownership of funding earned.• Rates and charges take a lot of work.• Makes different kinds of CDs – not all equal	<ul style="list-style-type: none">• County commissioners• Cities• Landowners• Business• NGO's• District partners	

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<p><u>OPTION 2</u></p> <p><u>Provide local control of Rates and Charges.</u></p> <p>FEASIBILITY – MEDIUM, HIGH PROBABILITY – MEDIUM, HIGH REVENUE - DEPENDS</p> <p>Resolution 2023-28: change Chapter 89.08 RCW, to allow local jurisdictions to set their own rate as appropriate for their local areas.</p>	<ul style="list-style-type: none">• Provides more local control for conservation districts.• More funding• Makes an assessment more worthwhile in smaller districts.• Ownership by local leaders of what funding would be.• Already being considered by bipartisan legislators.• Would provide the opportunity to add a maximum of a 1% administrative cap for the collection of rates and charges	<ul style="list-style-type: none">• May be perceived as a Tax• Requires opening RCW 89.08.• Increases the inequities among districts• Based upon the political will of the county citizens.• Not an option in some districts• Won't generate enough revenue in some areas.• Ongoing marketing effort to defend and renew.• Could be challenged still.• Assumption if you get rates and charges – you won't need any other funding.• Municipalities' feelings of ownership of funding earned.• Rates and charges take a lot of work.	<ul style="list-style-type: none">• Counties Commissioners• Cities• Landowners• Business• NGO's• District partners	
Funding Options That Increase Taxes				
<p><u>OPTION 3</u></p> <p><u>Tax on the Sale of Real Property</u></p> <p>distributed to county natural resource agencies (weed control, local parks, county natural resources agencies, etc.)</p> <p>FEASIBILITY – MEDIUM PROBABILITY – LOW – MEDIUM REVENUE - DEPENDS</p>	<ul style="list-style-type: none">• Local• Broad-based sort of groups• Efficiencies• Value• Bonds local natural resources agencies• Plays on intrinsic environmental values.• Could be applied at both a local and state level.• Leg might be interested in consolidating smaller groups.• Potential for SCC to distribute funds.	<ul style="list-style-type: none">• Tax• None of the agencies raise revenue.• Under what authority does it happen?• Minnesota model at the local level• Nebraska model - hundreds of boards into 23 Natural Resource Districts.	<ul style="list-style-type: none">• Counties• Landowners• Realtors• Land trusts• WRIAs• Legislators	<ul style="list-style-type: none">• Smaller districts (with parcels over 5 acres in size) would not generate a significant amount of revenue.• Example: 0.02% tax on the sale of property.

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<p><u>OPTION 4</u></p> <p><u>Statewide per parcel conservation assessment</u> set by the legislature, on all parcels. In addition to local rates and charges.</p> <p>FEASIBILITY – MEDIUM PROBABILITY – MEDIUM REVENUE – It Depends</p>	<ul style="list-style-type: none">• Applied by the legislature.• Generate large amounts of revenue.• Stable• Attract a group of stakeholders we wouldn't necessarily have.• Leverage local funds.• Conservation work a priority• Potential for SCC to distribute funds.	<ul style="list-style-type: none">• Tax• Capacity building exercise for all districts that aren't currently providing those services.• Jeopardize local funding.• Double assessing• Only impact property owners – not everyone• Price extracted by partners carefully crafted.• Not locally controlled• Service commercial forest service parceled into 20 acres.• Minor changes to 89.08• Would require a ton of education of counties and cities	<ul style="list-style-type: none">• Landowners• Districts• Commercial ag• Commercial forestry• Counties• Cities• Legislators	<ul style="list-style-type: none">• Cost per benefit is an issue.• Schools are not able to get bonds.
<p><u>OPTION 5</u></p> <p><u>A model like Missouri – dedicated sales tax</u></p> <p>FEASIBILITY – HIGH PROBABILITY – MEDIUM – LOW REVENUE - HIGH</p> <p>In 1976, through an initiative petition, Missourians amended their state constitution by creating a dedicated one-eighth-cent sales tax for conservation.</p>	<ul style="list-style-type: none">• Stable funding• Already a model that exists.• Increase the funding for everyone.• Statewide• Cloaks the taxing issue – buried within the sales tax.• More exposure for the districts• Partners – power cluster• Flexibility• Redistributes the income from some more populous areas into others.• Partnerships with other entities to continue to rebuild relationships. <p>Potential for SCC to distribute funds.</p>	<ul style="list-style-type: none">• Tax• Identified what everyone would get.• Need to find a more equitable balance to address populous areas vs non-populous areas.• No new taxes – will take quite a campaign and effort.• Possible competition with watershed improvement districts – make part of the power cluster.• Needs to be inoculated against Tim Eyman• Court challenge• Sunset clauses• Partner up with other entities• Expensive	<ul style="list-style-type: none">• State legislature• Governor• Partnerships	<ul style="list-style-type: none">• How would funding be distributed?

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<p><u>OPTION 6</u></p> <p><u>CD authority to impose rates and charges</u> - but needs to address elections.</p> <p>FEASIBILITY – MEDIUM –LOW PROBABILITY – LOW REVENUE – HIGH (Variable based on number of parcels/acres)</p>	<ul style="list-style-type: none">• Stable funding• Use the right group of people to make the decisions.• increasing the authority of the supervisors – increase the participation in the elections,• ties budget with resource needs	<ul style="list-style-type: none">• Junior taxing districts are not popular.• 89.08 would be opened for scrutiny.• Relationship between SCC and districts• Potential to jeopardize SCC Funding• Different election system may create a different makeup of the board.• Increased scrutiny of districts• Increase the workload for the districts and create an entity to bring funding in	<ul style="list-style-type: none">• Landowners	
Funding Options That Do Not Increase Taxes				
<p><u>OPTION 7</u></p> <p><u>Local Mitigation Fees</u> – Counties and Municipalities charge developers impact fees (stormwater, utilities, ILA's, etc.) and require them to conduct mitigation.</p> <p>FEASIBILITY - HIGH PROBABILITY – HIGH – depending on the district. REVENUE - MEDIUM</p> <p>Example: Eastern Washington CDs are collecting mitigation fees from developers, as required by the County or City, for shrub-steppe loss mitigation.</p>	<ul style="list-style-type: none">• Made all counties aware that districts are there for services – partners pave the road for the districts.• Part of the basic philosophy of locally led.• Stormwater rule is state-mandated.• Relevant to local folks• Identify new supporters (it all gets bigger)• Already do it – don't need an RCW/rule change.• County/city cannot provide individual assistance and financial assistance to private property	<ul style="list-style-type: none">• Not currently allowed to charge a fee for service...can charge for <u>product (project)</u>• Competition for funds, using assessments to do other work.• Local entities believe it is their money.• Court cases – might get thrown in.• Requires county legislative authority (maybe)• Underlying / uncertainty in funding	<ul style="list-style-type: none">• County legislative authority• County staff• Cities• Cooperators – locally led.• Tribes• Local land trust – NGO• Associations for cities and counties	<ul style="list-style-type: none">• Potential WACD Resolution to Engage the Association of Washington Cities, Washington Association of Counties, and Washington Association of County Officials

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<div><div><u>OPTION 8</u></div><div><u>Dedicated fee for referrals from the 319 account.</u> Gets reserved for use by districts to address those referrals (1500 per referral).</div><div>FEASIBILITY LOW PROBABILITY – LOW REVENUE – LOW</div></div>	<ul style="list-style-type: none">• Additional \$ would help leverage.• Look forward to a referral to positively work with a landowner.• Requires communication, which would drive more communication.• Funding available to landowners to choose where they want to go for services.• Fines back into the system to support.	<ul style="list-style-type: none">• Conflict with ECY who is currently receiving \$• No certainty – waiting for money for bad actions.• EPA requirements• Producer hears the district gets cash for them being turned in.• Could discourage referrals.• Can't deliver change in water quality could have a negative impact.• 319 set bucket – may take away from districts already receiving funding through grants.	<ul style="list-style-type: none">• Cooperators – for & against• Dairy fed, cattle, farm bureau• Ecology, AGR- lose funding.• EPA• Competing land uses	<ul style="list-style-type: none">• Includes Enforcement but would require interagency agreement with ECY for Enforcement.• We would need to see the analysis of the last 10 years of referrals to determine the dollar value available.																																																							
<div><div><u>OPTION 9</u></div><div><u>Direct the Non-Regulatory Portion of 319 Account Funds to the SCC.</u></div><div>FEASIBILITY – LOW PROBABILITY – LOW REVENUE - LOW</div></div>	<ul style="list-style-type: none">• more efficient.• more funding for districts.• more ability to meet EPA needs.• less strings attached.• less confusion for the landowners.	<ul style="list-style-type: none">• EPA reporting would increase.• Ecology is currently the designee for EPA Programs in WA• Funds would be conditioned.• The Level of funding is unknown.• Limited to water quality, not air, farmland, etc.• There would be interest from other entities currently eligible for funds from 319 Grants (counties, cities, nonprofits, etc.) <div><div>Table 1: Eligible Applicants by Funding Source</div><table><tr><th>Applicant Type</th><th>CWSRF/ OSG</th><th>SFAP</th><th>Centennial</th><th>Section 319</th></tr><tr><td>Conservation districts</td><td>X</td><td></td><td>X</td><td>X</td></tr><tr><td>Counties, cities/towns</td><td>X</td><td>X</td><td>X</td><td>X</td></tr><tr><td>Federally recognized tribes</td><td>X</td><td></td><td>X</td><td>X</td></tr><tr><td>Institutions of higher education⁹</td><td>X</td><td></td><td>X</td><td>X</td></tr><tr><td>Irrigation districts</td><td>X</td><td></td><td>X</td><td>X</td></tr><tr><td>Local health jurisdictions</td><td>X</td><td></td><td>X</td><td>X</td></tr><tr><td>Not-for-profit organizations⁹</td><td></td><td></td><td></td><td>X</td></tr><tr><td>Port districts</td><td>X</td><td>X</td><td>X</td><td>X</td></tr><tr><td>Quasi-municipal corporations</td><td>X</td><td></td><td>X</td><td>X</td></tr><tr><td>Sewer districts</td><td>X</td><td></td><td>X</td><td>X</td></tr></table></div>	Applicant Type	CWSRF/ OSG	SFAP	Centennial	Section 319	Conservation districts	X		X	X	Counties, cities/towns	X	X	X	X	Federally recognized tribes	X		X	X	Institutions of higher education ⁹	X		X	X	Irrigation districts	X		X	X	Local health jurisdictions	X		X	X	Not-for-profit organizations ⁹				X	Port districts	X	X	X	X	Quasi-municipal corporations	X		X	X	Sewer districts	X		X	X	<ul style="list-style-type: none">• Ecology• EPA• State• Governor• Legislature• Nonprofits• Landowners• NACD – congressional activity	<ul style="list-style-type: none">• We need answers about the level of funding this would create and the rules behind it, etc.• Clarified Roles and Responsibilities
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