



STATE OF WASHINGTON  
CONSERVATION COMMISSION

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November 15, 2024

**TO:** Pat Sullivan, Director  
Office of Financial Management

**FROM:** James Thompson, Executive Director  
State Conservation Commission

**SUBJECT:** Budget Reductions for Fiscal Year 2025 and 2025-27 Biennium

The Washington State Conservation Commission (SCC) implements vital incentive-based programs that provide funding for technical assistance and implementation of conservation projects to achieve effective, multi-benefit solutions for our most pressing natural resource issues, while also creating jobs and driving economic activity.

SCC recognizes that current revenue forecasts, increasing costs, and growing caseload needs require cuts to achieve a balanced state budget. We take the Office of Financial Management's request to conduct a review of budget reduction options seriously and appreciate the opportunity to participate in this decision-making exercise.

SCC's small budget provides limited opportunity for budget reductions that will not entirely eliminate the utility of individual programs. This fact has caused us to focus on both operating and capital budgets to ameliorate the State's overarching economic malaise. To relieve the burden on the general fund, we have 2023-25 biennial operational funding that could be reduced and repurposed for use in future fiscal years. Out of our \$15 million operation budget, much of our funding—\$11 million per fiscal year—goes directly to 45 conservation districts statewide. This money is used to implement programs, delivering locally-led conservation technical assistance and carrying out projects. The remaining \$4 million per fiscal year from our general fund supports agency operations. Therefore, any cuts to the general fund would significantly impact existing programs, services, and staffing for both SCC and conservation districts.

We have also been intentional in managing agency staffing as our funding and programs have grown. We have aligned hiring with business needs to ensure we have the necessary staff capacity to manage and allocate funds effectively.

SCC proposes returning \$22,754,000 and making a few targeted changes in funding distribution that will ensure future resiliency and minimize the impact on programs and staffing.

**Return and reallocation in current 23-25 biennial budget funding:**

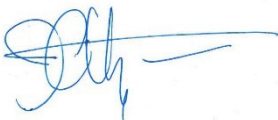
- *\$24.9M Dairy Digester - Climate Commitment Act (CCA) Capital*  
Proposal: Return \$11M for dairy digesters and request the proviso directing the remaining \$11M be updated to a 10-25% non-state match. Given the current federal funding landscape and the absence of local funding, reducing the match is essential to successfully implementing the proviso. We also request the \$2.9M flagged for alternative manure management under in the dairy digester proviso is moved to Sustainable Farms & Fields (SFF) operating budget in FY26 & FY27.
- *\$11M Conservation Reserve Enhancement Program (CREP) - CCA (CCA 26D, Capital)*  
Proposal: Return \$11M - CCA reporting requirements complicate our use of the \$11 M in CREP because it conflicts with spending procedures in the Farm Service Agency (FSA) federal contract. We would request if we do return this \$11M, that we have \$2M in capital bond funding added as we do still have commitments for the CREP program.
- *Sustainable Farms & Fields (SFF) Research & Development - CCA 26C, Operating*  
Proposal: Return \$375K
- *\$379K in VSP new counties opt-in - Public Works Assistance 058, Operating*  
Proposal: Return \$379K

**Reduction or other fund source in 2025-27 budget requests:**

- *Sustainable Farms & Fields (SFF)*  
Proposal: If the funding mentioned above could be repurposed from \$2.9M in the capital budget that is currently tied to dairy digesters to operating, we could reduce or withdraw this request.
- Without causing negative impacts upon programs, SCC does not believe we can take a reduction in requests for the Tribal Liaison FTE, Conservation Technical Assistance (CTA), Science Hub, Disaster Assistance Program (DAP), Voluntary Stewardship Program (VSP), or Riparian Plant Propagation Program (RPPP).

Thank you for your ongoing support and collaboration in managing our budget. We appreciate your efforts in reviewing budget adjustments.

Sincerely,



James Thompson  
Executive Director